FBIS DAILY REPORT CONTENTS

*Middle East & North Africa*

*Vol V No 4* *6 January 1978*

INTER-ARAB AFFAIRS

'Arafat Reportedly Meets With U.S. Congressmen A 1 1/A6
PLO Issues Statement on Hamami Assassination [VOP] A 1 1/A6
PLO Pledges Revenge [VOP] A 1 1/A6
British Cable of Condolences [VOP] A 2 1/A7
Baghdad VOP Report A 2 1/A7
PLO Officials To Visit London A 2 1/A7
'Voice of Palestine Revolution' A 3 1/A8
Arab Popular Conference Secretariat Meets in Baghdad A 3 1/A8
Solidarity With Egyptian People A 4 1/A9
Indictment of 'Traitor' As-Sadat A 4 1/A9
Secretariat Issues Statement A 5 1/A10
PLO Organ Rejects Charges of Settlement in Lebanon [VOP] A 7 1/A12

ARABIAN PENINSULA

OMAN

Somali President Siad Ends Official Visit C 1 1/A14
President Siad Departs C 1 1/A14

SAUDI ARABIA

Deputy Prime Minister Interviewed on Carter Visit C 1 1/A14
Prince Fahd Confers With President Boumediene C 6 1/B5

EGYPT

Schmidt Ends Visit; Seen Off by As-Sadat D 1 1/B6
Kamil Hands Eilts Plans for Political Committee Agenda D 1 1/B6
Papers Discuss Egyptian-Israeli Military Committee D 1 1/B6
Shah of Iran To Visit Egypt 9 January D 2 1/B7
As-Sadat Meets Head of French National Assembly D 2 1/B7
British Defense Minister Arrives for Arms Deal D 2 1/B7
[London DAILY TELEGRAPH 4 Jan 78]
Received by As-Sadat D 3 1/B8
Foreign Relations Committee Issues Statement D 3 1/B8
Salim Discusses Policy Toward Middle East Issue D 4 1/B9
Foreign Minister Kamil Meets With Arab Ambassadors D 5 1/B10
Isma'il Fahmi Criticizes As-Sadat Initiative D 5 1/B10
[Beirut EVENTS 30 Dec 77]

IRAQ

Husayn Meets With Arab Popular Conference Officials E 1 1/C2
USSR Science Delegation Arrives in Baghdad E 1 1/C2
Oil Minister Makes Statement on Oil Projects E 1 1/C2
Army Day Celebrated; Projects To Be Inaugurated E 2 1/C3

JORDAN

Husayn Receives Letters From Carter, Khalid F 1 1/C4
Message From Saudi King F 1 1/C4
Radio Quotes AL-AHRAM on Forthcoming Aswan Talks F 1 1/C4
Briefs: Trade With Hungary F 1 1/C4

LEBANON

Beirut Radio Reports on As-Sadat-Carter Meeting G 1 1/C5
Foreign Minister Meets With Soviet Ambassador G 1 1/C5
INA: 'Christian Democratic Organization' Formed G 2 1/C6
Syrian Social Party Magazine Suspension Ordered G 2 1/C6

SYRIA

Khaddam Receives U.S. Congressional Delegation H 1 1/C7
President Receives Message From King Khalid H 1 1/C7
Ba'th Official Receives Eritrean Liberation Group H 1 1/C7
Members for Libyan Federation Assembly Elected H 2 1/C8
Al-Asad Receives Cable From Palestinians in Lebanon H 2 1/C8

NORTH AFRICA

LIBYA

Al-Qadhdhafi Lauds Husayn Rejectionist Stance I 1 1/C9
Saharan Prime Minister Holds Press Conference I 1 1/C9
Jallud Receives Visiting POLISARIO Leaders I 1 1/C9
Libya Withdraws All Its Students From Egypt I 1 1/C9

MOROCCO

Nouira Interviewed on Reshuffle, Economic Problems I 2 1/C10
[Paris LE MONDE 30 Dec 77]

ISRAEL

Prime Minister's Adviser Shemu'el Katz Resigns Post N 1 1/C12
NRP, DMC Increase Pressure To Sit In on Peace Talks N 1 1/C12
[POST 6 Jan 78]

| | | | |
|---|---|---|---|
| MAFDAL Demand Rejected ['AL HAMISHMAR 5 Jan 78] | N | 2 | 1/C13 |
| Delegation Member to Cairo Military Talks Reported | N | 3 | 1/C14 |
| Begin Again Rejects Self-Determination, Palestinian State | N | 3 | 1/C14 |
| Status of Sinai Early Warning Stations Speculated | N | 3 | 1/C14 |
| TV Cites 'Senior Elements' | N | 3 | 1/C14 |
| Defense Personnel Denial [YEDI'OT AHARONOT 6 Jan 78] | N | 3 | 1/C14 |
| Secret Peace Agreement With Egypt Denied | N | 4 | 1/D1 |
| Cabinet Approves Land Improvement Scheme in Rafah Area | N | 4 | 1/D1 |
| Sharon Authorizes New Development Plans in Sinai | N | 4 | 1/D1 |
| POST: Work Starts on New Settlement Near Al-'Arish [6 Jan 78] | N | 4 | 1/D1 |
| Labor Party Concerned About Government Plan | N | 5 | 1/D2 |
| Ehrlich Foresees Hard Bargaining in Talks With Egypt | N | 5 | 1/D2 |
| MA'ARIV Scores Israeli Concessions in Sinai [4 Jan 78] | N | 6 | 1/D3 |
| Press Comments on Carter-As-Sadat Aswan Meeting | N | 7 | 1/D4 |
| Afternoon Editorials | N | 8 | 1/D5 |
| HA'AREZ: Egyptians Continue To Violate Interim Agreement [5 Jan 78] | N | 9 | 1/D6 |
| Judaea, Samaria Personalities Reject Husayn Representation | N | 9 | 1/D6 |
| Foreign Minister Dayan To Visit Rome Next Week | N | 9 | 1/D6 |
| Education Minister Hammer on Peace Plan, Settlements | N | 10 | 1/D7 |
| Opinion Poll Finds Most Israelis Support Cabinet | N | 12 | 1/D9 |
| Energy Ministry Planning for Future of At-Tur Oil | N | 13 | 1/D10 |
| New Find Reported [MA'ARIV 6 Jan 78] | N | 13 | 1/D10 |
| Dayan Calls Arab Delegation to Egypt 'Premature' | N | 13 | 1/D10 |
| Israeli Missions in United States May Be Reduced | N | 13 | 1/D10 |

IRAN

| | | | |
|---|---|---|---|
| National Resurgence Party Congress Issues Resolution | R | 1 | 1/D11 |

SOUTH ASIA

BANGLADESH

| | | | |
|---|---|---|---|
| Zia, Callaghan Speak at 4 Jan Dacca Banquet | S | 1 | 1/D14 |
| Callaghan News Conference | S | 2 | 1/E1 |
| Callaghan Hosts Dinner | S | 3 | 1/E2 |
| Petroleum Adviser Sees Good Prospects for USSR Trade | S | 3 | 1/E2 |

INDIA

| | | | |
|---|---|---|---|
| Paper Reports Diplomat Expelled From Bangladesh [Calcutta ANANDA BAZAR PATRIKA 2 Jan 78] | S | 4 | 1/E3 |
| Vajpayee, SRV Envoy Discuss Cambodia Border Dispute | S | 4 | 1/E3 |
| USSR Coal Experts To Arrive in Delhi in January | S | 4 | 1/E3 |
| UK-India Aid Agreements Signed in Delhi 4 Jan | S | 5 | 1/E4 |

PAKISTAN

| | | | |
|---|---|---|---|
| Official Circles Welcome Carter Message to Haq | S | 6 | 1/E5 |
| PNA Adopts New Constitution, Elects Officers | S | 6 | 1/E5 |
| Wali Khan Joins National Democratic Party | S | 6 | 1/E5 |

Item 856-B-6 Pr Ex 710: FBIS-MEA-78-4

JAN 19 1978

*FBIS-MEA-78-4*
*Friday*
*6 January 1978*
*Vol V No 4*

# DAILY REPORT

CONTIN
COMPLETED
ORIGINAL

# MIDDLE EAST & NORTH AFRICA

Available for Distribution
From NTIS

FBIS FOREIGN BROADCAST INFORMATION SERVICE

This publication contains current news and commentary monitored by FBIS from foreign broadcasts, news agency transmissions, newspapers, and periodicals. Items are processed from the first or best available source; it should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign-language sources are translated by FBIS. Those from English-language sources are transcribed, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by FBIS. Labels such as [Text] or [Excerpts] in the first line of each item indicate how FBIS processed the information from the original. Names rendered phonetically or in transliteration are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clearly heard but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source.

Users of this publication may cite FBIS provided they do so in a manner clearly identifying it as the secondary source. For example: "FBIS reports that Radio Moscow announced . . ." or "FBIS has monitored a broadcast from Hanoi which says . . ."

This is a U.S. Government publication. Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

'ARAFAT REPORTEDLY MEETS WITH U.S. CONGRESSMEN

JN060717Y Amman Domestic Service in Arabic 0500 GMT 6 Jan 78 JN

[Text] PLO Executive Committee Chairman Yasir 'Arafat met with a U.S. congressional delegation led by Clement Zablocki, chairman of the Foreign Affairs Committee of the U.S. House of Representatives, in Damascus yesterday. During the meeting 'Arafat explained the PLO position toward the events which have taken place in the wake of President as-Sadat's visit to Israel. He also expalined the PLO's objective is to achieve recognition of the Palestinian people's rights, particularly their right to determine their future and to set up an independent state on their national soil.

PLO ISSUES STATEMENT ON HAMAMI ASSASSINATION

JN051727Y Voice of Palestine [Clandestine] in Arabic to Arab World 1500 GMT 5 Jan 78 JN

[Text] A spokesman of the PLO Executive Committee and the Palestinian revolution command has made the following statement:

Some hired killers of the enemies of the Palestinian revolution and agents of Zionism and imperialism yesterday fired bullets of treason and cowardice at Palestinian national struggler Sa'id Hamami, PLO representative in London and representative of the Palestine national liberation movement, Fatah. The PLO Executive Committee and the Fatah Central Council today lost a prominent struggler from the sons of the Palestinian revolution and a prudent diplomat who (?devoted) his time and life to serving the cause of the Palestinian people and their armed revolution.

National struggler Sa'id Hamami fell a martyr after performing his national duty as (?a leader), courageous and bold in his glorious defense of our people's right to restore their homeland and rights. The Palestinian revolution, grieved over this ugly criminal act against the life of a great struggler from its faithful sons, will not reamin silent over this crime and those who committed it. The bullets which hit struggler Sa'id Hamami will be avenged with nothing less than the lives of the hired killers, the enemies of the Palestinian people and the revolution.

The Palestinian revolution, which vehemently denounces this heinous crime, affirms that the hands which fired at Sa'id Hamami will not escape punishment. The Palestinian revolution will follow the killers and those behind them wherever they go because the blood of the revolutionaries and strugglers cannot be wasted. The Palestinian revolution, while following on its part the search and investigation through its specialized committees to uncover the identity of the hired killers, holds the British Government responsible until the criminals and those behind them are discovered. The Palestinian revolution considers the British Government responsible for the life of this Palestinian diplomat, who was assassinated this afternoon [yesterday] in London.

PLO Pledges Revenge

JN051745Y Voice of Palestine [Clandestine] in Arabic to Arab World 1500 GMT 5 Jan 78 JN

[Text] The PLO Political Department has announced to the masses of our Palestinian people and our Arab nation the death of struggler martyr Brother Sa'id Hamami, PLO representative in the British capital and its representative to the Arab League bureau in London, who was assassinated by a hand of treason in his office in the British capital yesterday.

The PLO, which has offered martyrs from the best people of its sons and cadres--something which constitutes a force of momentum for its struggling march--pledges to our people that the blood of struggler martyr Sa'id Hamami as well as the blood of thousands of martyrs will not be in vain and the hands of treachery and cowardice will not manage to stop our determination to continue the march of struggle until victory. The succession of martyrs, which includes martyrs Mahmud al-Hamshari, Wa'il Zu-aytar, Mahmud Salih, Husayn Abu al-Khayr, Dr al-Qubaysi and [name indistinct], will remain torches lighting the road for all the free people of our nation and people in the march of steadfastness and long struggle.

British Cable of Condolences

JN051704Y Voice of Palestine [Clandestine] in Arabic to Arab World 1500 GMT 5 Jan 78 JN

[Text] Brother Abu 'Ammar, chairman of the PLO Executive Committee, yesterday received a cable of condolences from the British Foreign Office through its embassy in Beirut concerning the martyrdom of struggler brother Sa'id Hamami. The cable said: The British Foreign Office is shocked by this tragic event and expresses its deep regret over the assassination of the departed Sa'id Hamami. The British authorities affirm that they will exert [words indistinct] in exposing the identity of the assassins and arresting and trying them.

Brother Abu al-Lutf, head of the PLO Political Department, also received a similar cable from the British ambassador in Beirut in which he expressed his deep sorrow over the tragic assassination which claimed the life of the PLO representative in London, the departed Sa'id Hamami.

Baghdad VOP Report

JN061258Y Baghdad Voice of Palestine in Arabic 1945 GMT 4 Jan 78 JN

[Excerpt] London--It should be recalled that Sa'id Hamami, representative of the PLO command in London, was one of the most prominent figures of the PLO command who made contacts with Zionist enemy leaders in various parts of Europe and Africa. Furthermore, he had been advocating coexistence with the Zionist enemy since 1970. Following Anwar as-Sadat's visit to the Zionist Knesset, Hamami supported As-Sadat's treasonable visit.

PLO Officials To Visit London

LD051638Y London PRESS ASSOCIATION in English 1610 GMT 5 Jan 78 LD

[Text] The Foreign Office confirmed today that three top PLO officials would fly in to London this afternoon to clear up details about the return of Mr Hamami's body. The PLO made its intentions known, "probably as a matter of courtesy," to the British Embassy in Beirut, the Foreign Office spokesman said. "We do not yet know whether one of these people will stay on as temporary representative. It is not for us to speculate." The Foreign Office declined to give further details, saying it was not for it to act as a go between.

The three PLO officials will arrange for the body of Mr Hamami to be taken back to Beirut on Saturday, the secretary of the Palestinian Students Union, Mr Omar Mahdawi, said today. He confirmed that the men were "senior" officials, but he did not know their identities. He did not think a decision had yet been taken about a replacement for Mr Hamami.

Mr Mahdawi said that the PLO officials would "meet all the Arab ambassadors in London, including the Egyptian." They would urge the ambassadors to "do their best with the British Government" to find Mr Hamami's killer.

Mr Mahdawi added: "It is the responsibility of the British Government to protect whoever replaces Mr Hamami." Mr Mahdawi had no doubt who was responsible for the killing. "It is obvious we have an enemy. It is an Israeli conspiracy." He said that he and other students had been sitting with Mr Hamami in his room just half an hour before the killing. They went to Mr Mahdawi's room nearby to hold a meeting.

'Voice of Palestine Revolution'

LD051644Y London PRESS ASSOCIATION in English 1630 GMT 5 Jan 78 LD

[Text] Scotland Yard confirmed this afternoon that it was investigating a lunchtime telephone call to the London office of UPI news agency from a man claiming that a group called "The Voice of the Palestine Revolution" was responsible for the assassination of Mr Hamami. A Yard spokesman said the caller claimed responsibility for the shooting because of Mr Hamami's "contacts" with the "Jewish country."

ARAB POPULAR CONFERENCE SECRETARIAT MEETS IN BAGHDAD

JN040938Y Baghdad INA in Arabic 0835 GMT 4 Jan 78 JN

[Excerpts] Baghdad, 4 January--Several members of the permanent secretariat of the Arab popular conference, which began its second meeting in Baghdad yesterday, have called for the approval of the charter of the anti-imperialist, anti-Zionist, antireactionary pan-Arab progressive front in order to pool resources to confront the line of the capitulatory settlement.

Muhammad Zuhdi an-Nashashibi, secretary of the PLO Executive Committee and member of the permanent secretariat of the conference, said that the convening of this meeting comes to confirm that the Arab nationalist and progressive forces and popular organizations will confront the imperialist-Zionist-reactionary onslaught. He added: The popular conference has assumed responsibility for foiling the capitulatory line manifested in As-Sadat's shameful visit to the occupied areas and the U.S. imperialist plot aimed at undermining the right of the Palestinian Arab people to their homeland and destroying the Arab national liberation movement. He also called for cohesion among all the groups of the Arab revolution and for working to approve the front's charter.

Dr 'Abdallah Sa'adah, representative of the Lebanese nationalist movement and member of the permanent secretariat of the popular conference, called for formulating an executive plan of action, embracing the popular forces and the Arab masses and placing them on the right course "as a reply to the imperialist-Zionist-reactionary plot to effect the settlement in a way that serves the interests of the Zionist enemy." He said we must mobilize and regulate the creative resources of the Arab masses.

Salah Salah, member of the Political Bureau of the PFLP, called on the conferees to shoulder their responsibility in creating the progressive Arab front and enabling it to lead the movement of Arab struggle to cope with the imperialist and Zionist plots. Fadl Shurur, member of the PLO Central Council and member of the permanent secretariat of the Arab popular conference, called for formulating a clear information plan to confront and counter the information campaign unleashed by the propaganda trumpets of As-Sadat, imperialism and Zionism.

## Solidarity With Egyptian People

JN041544Y Baghdad INA in Arabic 1248 GMT 4 Jan 78 JN

[Text] Baghdad, 4 January--Six delegations of the permanent general secretariat of the Arab popular conference will pay visits to Arab, African, Socialist, European and Latin American countries on 18 and 19 January 1978--the 2 days devoted to solidarity with the Egyptian Arab people. This was decided in the session the permanent general secretariat held here today as part of the activities and programs which will be implemented on the 2 days of solidarity with the Egyptian Arab people on the Arab and international levels. The delegations will undertake the mission of escalating activities of the progressive parties and forces supporting Arab rights in these countries.

The permanent general secretariat also decided to form a special committee which will prepare the details of programs and activities which will be carried out during the 2 days of solidarity with the Egyptian Arab people.

At the beginning of its session, the permanent general secretariat approved the bylaws and defined priorities related to the implementation of the resolutions of the Arab popular conference held in Libya last month. Most important of these resolutions is the establishment of the Arab progressive national popular front and the adoption of executive measures to try traitor Anwar as-Sadat.

It should be recalled that the permanent general secretariat includes leading personalities of the Arab progressive parties and forces. The days 18 and 19 January, which will be the 2 days of solidarity with the Egyptian Arab people, were the 2 days in which the Egyptian masses staged a popular uprising last year against the political and economic policy of As-Sadat's regime.

## Indictment of 'Traitor' As-Sadat

JN051135Y Baghdad INA in Arabic 1045 GMT 5 Jan 78 JN

[Text] Baghdad, 5 January--The permanent general secretariat of the Arab popular conference today issued a press statement here regarding practical measures to try traitor Anwar as-Sadat. The permanent general secretariat, which resumed its meetings here this morning, empowered a pan-Arab committee to draft the political aspects of the bill of indictment against traitor As-Sadat. It has also empowered the Permanent Bureau of the Arab Bar Association to draft the legal and criminal aspects of the bill of indictment. The permanent general secretariat also empowered a joint committee of jurists and statesmen to draft the other aspects of the bill in order to make the trial a historic, pan-Arab Indictment of the traitor of the Arab nation and the agent of imperialism, Zionism and reaction--Anwar as-Sadat--as well as an indictment that will deter all traitors of As-Sadat's ilk wherever they may be.

The permanent general secretariat has already begun contacts with several world personalities known for their struggle for freedom, democracy and support of the rights of the Arab nation and the Palestinian Arab people and hostility to all forms of imperialism and racism in order to arrange for them to participate in indicting traitor As-Sadat and make the trial not only a pan-Arab but also an international affair.

The permanent general secretariat is studying the venue for the historic trial. The secretariat had requested the Permanent Bureau of the Arab Bar Association to prepare a plan for the implementation of the Arab people's decision to try agent As-Sadat.

The Permanent Bureau of the Arab Bar Association has studied the case and decided, after taking cognizance of the constitution of the Arab Republic of Egypt, the Constitution of the Confederation of Arab Republics and the Arab League Charter and basic documents, that Anwar as-Sadat has actually committed a crime warranting a legal, historic trial. In addition, he is indicted politically as a traitor. The Egyptian nationalist progressive movement has drafted a working paper on this case, including its view of the trial.

The permanent general secretariat studied the decision of the Permanent Bureau of the Arab Bar Association and the Egyptian working paper. It has also made a thorough study of basic questions related to the trial. It then empowered a subcommittee of its members to submit a draft for legal action in this connection. The implementation of the decision made by the permanent general secretariat of the Arab popular conference regarding the trial of traitor As-Sadat will take place in the next few weeks.

## Secretariat Issues Statement

JN061126Y Baghdad INA in Arabic 0945 GMT 6 Jan 78 JN

[Text] Baghdad, 6 January--The permanent general secretariat of the Arab popular conference has urged the Arab countries to withdraw their recognition of As-Sadat's regime, expel it from the Arab League and remove the League's headquarters from Cairo.

The secretariat also called for application of the provisions of the economic boycott to the companies, institutions and individuals dealing with the Zionist enemy, his establishments and companies. The secretariat called on AAPSO to expel Yusuf as-Diba'i from the organization's secretariat because of his participation in the delegation accompanying As-Sadat on his visit to occupied Palestine. This came in the final statement issued today by the secretariat following its meetings last night.

The permanent general secretariat of the Arab Popular Conference stressed the need for the preparation of an organizational, military and political program that will be adequate to achieve national unity among the Palestinian resistance factions and to implement the Tripoli conference document.

The secretariat decided to send memos to Arab and international establishments and bodies stressing that any concessions by any Arab ruler are illegitimate and false. The memos will also stress that the Arab masses stand by their right to liberate all occupied Arab soil.

The secretariat asserted its support for strenghtening the Lebanese nationalist movement's stand against the Zionist-reactionary onslaught. It also called for the safeguarding of Lebanon's unity to insure its Arabism and protect its southern area. In this regard the secretariat called for the restoration of political and press freedoms in Leganon. The secretariat decided to send a delegation to Lebanon to confirm its support for the Lebanese nationalist movement and to observe every 9 December as a day of solidarity with the Lebanese people.

In its call the secretariat stressed the need to support and back the armed Arab liberation movements to enable them to escalate their struggle. It decided to send memos to the progressive Arab countries and to friendly progressive organizations asking them to play the same role toward the El Saquia el Hamra and Rio de Oro fronts. It also decided to send delegations to these sides as a sign of solidarity with them.

The secretariat called for the creation of political and democratic freedoms in all Arab countries. It stressed its endeavors to obtain the release of all political detainees in the Arab homeland and denounced encroachments on public freedoms.

The statement of the permanent general secretariat pointed out that certain measures have been adopted to consolidate the relations of struggle with the socialist countries, the world liberation movements and the progressive parties in Africa, Asia, Latin America and Europe.

The secretariat noted its support for the African peoples struggling against colonialism and racial discrimination in Chad, South Africa, Zimbabwe and Namibia. The secretariat denounced all the imperialist and reactionary moves aimed at harming Algeria and Libya. The primary example of such a move is As-Sadat's treasonous step.

The secretariat recorded with pride the escalation of the Arab masses' struggle throughout the Arab homeland and inside the occupied territories and their confrontation of the imperialist scheme and its hirelings. It also recorded with pride the struggle of our Egyptian people.

The statement of the permanent general secretariat says that during the meetings it discussed the reactionary activities conducted against the Algerian Arab people. The statement explains that the activities confirm the extent of the overt plot and the organic link between the sides concocting it--imperialism, Zionism and reaction--within the larger design of plotting against the Arab nation. The permanent general secretariat reviewed the military concentrations on the eastern and southern borders of the Libyan Arab Jamahiriyah, which is currently shouldering a historic and pan-Arab responsibility. These concentrations are for the purpose of committing aggression against Libya following the failure of the first aggression unleashed by As-Sadat's regime in July 1977.

The permanent general secretariat also reviewed the ferocious imperialist onslaught against the people of the Western Sahara, who are the target of an overt aggression by the French Air Force, which uses napalm and phosphorous bombs, in collusion with the reactionary forces in Morocco. The discussions of the permanent general secretariat also concentrated on the support given to the struggle of the Arab masses and marshaling their resources and capabilities to confront the imperialist-Zionist-Arab reactionary plot aimed at liquidating the pan-Arab issue of Palestine and striking at the Arab progressive regimes and forces. The permanent general secretariat also reviewed the new plot represented in the negotiations currently taking place between As-Sadat's regime and the Zionist entity in the aftermath of As-Sadat's shameful visit to occupied Palestine.

The permanent general secretariat concluded its 3-day meeting here last night. It decided to postpone the approval of the charter of the Arab progressive national popular front until its next meeting so as to provide an opportunity for the members of the permanent general secretariat to submit their remarks, after which the charter will be approved and declared. The permanent general secretariat approved its bylaws and formed the necessary committees for its functions.

In its final statement the permanent general secretariat strongly warned against the seriousness of the situation in the Arab Maghreb and the attempts to strike at the progressive regimes in Algeria and the Libyan Arab Jamahiriyah. It also warned against the seriousness of As-Sadat's continued activities on the path toward the full liquidation of the Palestine issue.

The permanent general secretariat called on the progressive forces, the peace- and justice-loving forces and the anti-imperialist, anti-Zionist and anti-reactionary forces to support our Arab people of Palestine, the Western Sahara and Oman.

The statement points out that the members of the permanent general secretariat will leave for Damascus for a dialog on the resolutions of the Arab popular conference and the urgent pan-Arab issues of the current phase.

Speaking about the meeting between the members of the permanent general secretariat and Saddam Husayn, Iraqi Revolution Command Council vice chairman, The statement says that a profound dialog took place on the urgent pan-Arab issues, particularly the front of steadfastness and confrontation. The dialog dealt with confronting the imperialist-Zionist-reactionary designs.

The statement says that the dialog was completely frank and positive and made a profound impact because it led to positive stands which will contribute to the advancement of revolutionary pan-Arab action.

In conclusion, the statement issued by the permanent general secretariat expresses profound thanks to the leadership of the Arab Socialist Ba'th Party in Iraq and to President Ahmad Hasan al-Bakr for the concern he has shown for the secretariat and for the success of its work.

PLO ORGAN REJECTS CHARGES OF SETTLEMENT IN LEBANON

JN052113Y Voice of Palestine [Clandestine] in Arabic to Arab World 1500 GMT 5 Jan 78 JN

[Text] FILASTIN ATH-THAWRAH, the central paper that speaks for the PLO Executive Committee, under the headline "The Question of Settling and the Aim of Getting Away From the Accord," writes: Recently the isolationist information media have primarily focused on the subject of settling Palestinians in Lebanon. The leaders of the Lebanese isolationist front are constantly making statements warning against settlement. The daily papers AL-'AMAL and AL-AHRAR are tackling the topic, attributing statements to Lebanese Foreign Minister Fu'ad Butrus in which they claim that he has asked the Soviet ambassador his country's stand regarding the question of settling. This was reported yesterday by the paper AL-AHRAR as well as by the isolationist radio.

Regarding this intense campaign, people wonder why this fierce campaign against settling? Is the alleged settlemennt plan a fact or a figment of the imagination? We notice that this isolationist information campaign has gotten stronger since As-Sadat's visit to the occupied territories and his first and second meeting with the enemy leaders, during which the Zionist enemy did not make concessions to the Egyptian president.

On the subject of an autonomous entity in the West Bank and Gaza Strip [words indistinct] linked to the enemy state or the Jordanian regime, which indicated that the general situation in the region (?points out) that there is no Palestinian state for the Palestinian people. This situation has led the isolationists and their information media to exploit it by claiming that there is no place for the Palestinians in their country and that there are plans to settle them in Lebanon, fabricating stories about it and weaving in information from diplomatic sources. The others [words indistinct] with what they wanted.

The facts are completely different. The Palestinian people under the PLO and the armed revolution are holding on to their land of Palestine and will not accept a substitute. First, despite As-Sadat's treason, our people are continuing their armed struggle against the Zionist enemy and its agents from within in such a manner that even Israeli media admits that nobody in the West Bank can disagree with the PLO. Second, our people, despite As-Sadat's action, realize that the forces of steadfastness are alive and active in the Arab territories. The enemy has not made a concession to As-Sadat. Thus, his policy of dependence on the United States is proceeding toward failure. The forces of steadfastness are becoming stronger and closer in the face of the imperialist offensive. Third, since the beginning of the revolution in 1965, our people have gotten used to hearing Israeli allegations that there is no Palestinian people and there is no Palestinian state. Despite this, our people have continued to struggle and have proved to the world that there is a Palestinian people, who (?prove) regardless of all difficulties their right to self-determination. Fourth, our people have announced through the lips of their leaders that the Palestinian presence in Lebanon is a starting point and a (?temporary) path to the occupied territories.

Why all this isolationist campaign despite the clarity of all these issues? It is in harmony with (?well-known) isolationist plans. Perhaps the most important motives are the maintenance of [words indistinct] which is hostile to the Palestinian revolution in the regions it controls, especially after the possibility of direct contact between the national and isolationist sides has become impossible as a result of what has happened to the nationalists and the groupings which are not linked to the isolationists in those regions.

Talk of Palestinian transgressions has been proven to be false, and these transgressions do not exist in the national regions. Second, they attempt to regain their importance after what they have termed their cause [words indistinct] after as-Sadat's traitorous visit to the occupied territories. Previous allegations of the Lebanese isolationist front and Israel that the fedayeen set off from the south to strike at Zionist positions inside the occupied territories have been weakened after it has been proven that the forces of the revolution are striking at different places.

Third, there is the attempt to instigate [words indistinct] against the revolution by claiming that the Palestinians will settle in the south in particular and will seize their lands and property. Fourth, there is the attempt of the Lebanese isolationist front to place obstacles in the way of a formula for national accord, especially after the national movement has shown great flexibility in its readiness for a dialog and convening a national conference under the auspices of the president.

Raising the subject of settling is an act aimed at creating another issue to distract the attention of citizens and political work, thus making accord less important and even supplanting it in such a manner that the isolationist front can escape from committment to any action which may push ahead the wheel of construction and lessen the fear of (?war) in the country.

These motives are perhaps all the more important when talking about the imaginary settlement question. The basic question which remains in the isolationist [word indistinct] is the armed presence of the Palestinians who are fighting against their friend Israel and imperialism. It is this revolutionary factor that they are concentrating on and that they are trying, through the factors of alliance, friendship and interaction, to consolidate the results of As-Sadat's visit and (?impose) an imperialist-Zionist capitulation on the region.

## OMAN

### SOMALI PRESIDENT SIAD ENDS OFFICIAL VISIT

NC060600Y Muscat ONA in Arabic 2235 GMT 5 Jan 78 NC

[Text] Muscat, 5 January--The Somali president will leave the Sultanate of Oman in the morning at the end of his visit. Up to now it appears unlikely that a joint statement will be issued. The talks have dealt with the current situation in the Horn of Africa and Southern Yemen, Soviet support for Ethiopia and President as-Sadat's peace initiative.

During the talks there was total identiy of views on these topics, particularly on the importance of resisting Soviet attempts to control the area and increase its influence in Africa and the Indian Ocean. The Somali president spoke out strongly about his country's insistence on resisting Soviet aspirations in the area. This point of view is strongly supported by the Sultanate of Oman. The two countries have agreed to discuss possible constructive ways of cooperation to achieve this aim.

### President Siad Departs

NC051053Y Doha QNA in Arabic 1021 GMT 5 Jan 78 NC

[Excerpts] Muscat, 5 January--Somali President Mohamed Siad Barre and the delegation accompanying him left Muscat today following a 2-day official visit to the sultanate.

A joint statement on the outcome of the discussions between the Somali and Omani presidents is to be issued later today.

## SAUDI ARABIA

### DEPUTY PRIME MINISTER INTERVIEWED ON CARTER VISIT

LD051234Y Riyadh Domestic Service in Arabic 0600 GMT 5 Jan 78 LD

[Interview granted to Barbara Walters, ABC television reporter, by Saudi Deputy Prime Minister Fahd ibn 'Abd al-'Aziz al-Sa'ud--presumably on 3 January--announcer read]

[Text] [Question] Your Highness, can you tell us whether you were in agreement with His Excellency President Carter when you discussed the Middle East question?

[Answer] The discussion was in fact about Middle East problems. I cannot say that agreement was reached on everything. I can say, however, that there was understanding and that the Kingdom of Saudi Arabia and the United States are always endeavoring to find fair and just solutions.

[Question] When His Excellency President Carter goes to meet His Excellency President Anwar as-Sadat in Egypt, what do you hope President Carter will do and say during this visit?

[Answer] I hope there will be agreement on the basis of the statements by President as-Sadat with regard to the finding of peace and stability in the Middle East region. We are very happy that President Carter is to visit Egypt to meet President as-Sadat because personal visits can result in more understanding than communications through ambassadors or messages.

[Question] Your Highness, the Egyptians support the right to self-determination of the Palestinians in the West Bank and in Gaza, and do not refer to the need for the establishment of an independent Palestinian state. Does the Kingdom of Saudi Arabia approve of this attitude?

[Answer] First, I have not heard that Egypt has not agreed to the establishment of the Palestinian state. Second, there are Palestinian people living in the West Bank and in Gaza, and over 1.8 million Palestinians living in the Arab countries--in Syria, Lebanon, Jordan and in the rest of the Arab states. The view of Saudi Arabia is that these people must return to their homeland. The resolutions of the Security Council and of the United States call for Israel's withdrawal from the Arab territories occupied in 1967. The kingdom believes the Palestinian people must return to their homeland; and after they have returned to their homeland it is they who must determine their destiny.

[Question] U.S. papers published today make no mention about the Egyptians saying they support or want the establishment of an independent Palestinian state, but they demand the right to self-determination for the Palestinians. In the event of the presence of a proposal for a kind of a link between the Palestinian entity and Jordan instead of the presence of an independent Palestinian state, will the Kingdom of Saudi Arabia agree to such a proposal?

[Answer] I answered a part of the question just now. However, I do not believe that any state, whether Arab or otherwise, can compel the Palestinian people to choose a specific course. This is up to the Palestinian people. The Palestinians must determine the method of government they want.

[Question] Does your saying the right to self-determination mean that His Majesty King Husayn must be replaced by Mr Yasir 'Arafat as leader of the Palestinians? Do you believe this is possible?

[Answer] Do you mean with regard to the Palestinian people themselves?

[Question] I meant the Palestinian people themselves.

[Answer] The Palestinian people themselves have accepted the PLO as responsible for the Palestinians. Naturally this decision was approved by the Arab states; and King Husayn was the author of the proposal at the Rabat conference. I do not believe that there is a problem between His Majesty King Husayn and Mr 'Arafat over the leadership of the Palestinians.

[Question] Your highness, circumstances change and days change. Do you see any prospect of a solution or any way that the Palestinians will have a leadership other than the PLO?

[Answer] At present I do see no disagreement among the Palestinians whether inside Palestine--in the Gaza and in the West Bank--or outside Palestine over the leadership of the PLO. Everything depends on circumstances. Now I do not see any disagreement over the leadership of the PLO.

[Question] In my interview with His Excellency President Carter last week, he told me that he does not support the establishment of an independent Palestinian state. Did he discuss this topic with Your Highness? What was the attitude of Your Highness if you can reveal what was discussed between both of you?

[Answer] In my discussion with President Carter I did not refer to this topic.

[Question] President Carter said: "He considers the PLO has become unsuitable to take a role in the negotiations." Did you discuss this or anything else?

[Answer] I did not discuss this with him. The people responsible for a leadership must determine its suitability. Leaders should be changed by their own people and no one else.

[Question] Your Highness, since we have the opportunity to hear the views of the Kingdom of Saudi Arabia directly from Your Highness, could you clarify to us the points on which agreement have been reached between you and His Excellency President Carter in your talks with him today and the points on which you have differed with him?

[Answer] My discussion with President Carter was comprehensive and included matters outside the interests of the Kingdom of Saudi Arabia and the United States. Part of the discussion dealt with our common interests. My discussion with President Carter was in fact enjoyable. I was very pleased with my discussion. I do not believe that views must always be identical on specific things, even the family at home could differ over certain matters. I would like to emphasize in this connection that our views are in agreement on our common interests, particularly as regards the Kingdom of Saudi Arabia and the United States.

[Question] Your Highness, could you give us certain facts or points on which our two countries differ with regard to the realization of peace in the Middle East?

[Answer] Here in the Kingdom of Saudi Arabia we are searching for a fair and just peace. I believe you will agree with me on one thing, namely, we as Arabs are not demanding more than our legitimate rights. Those who demand legitimate rights should have many supporters so that stability and reassurance can be established among all the state in the Middle East.

[Question] But your answer did not help me with regard to the points of difference between our two countries.

[Answer] I cannot describe the discussions as disagreement, but I can say that there is always discussion among friends; in the end we are bound to agree on something useful and constructive.

[Question] What is in your opinion a satisfactory solution to the Middle East question?

[Answer] I really believe that I am not the only one who is talking about a satisfactory solution, but all the countries of the world and leaders of the world have spoken about this. It is the withdrawal of Israel from the Arab territories occupied in 1967 and the return of the Palestinian people to their homeland where the Palestinian people will determine their own destiny.

[Question] Last fall President Carter brought back the Soviet Union to the heart of the stage of the Middle East events and the negotiations in the Middle East. It seems now that the Soviet Union has once more been kept away from the stage of the Middle East events and the Middle East negotiations. Does Your Highness consider the need for the return of the Soviet Union to participate in the Middle East events and the negotiations which are going on, in any of the stages, and when will this stage be?

[Answer] No one can ignore the Soviet Union. A statement was issued by the U.S. State Department and by the foreign minister of the Soviet Union connected with the Middle East problem. This means that the Soviet Union and the United States hold discussions on the Middle East problem. Therefore the two superpowers are in contact over the Middle East problem. A statement issued by foreign ministers means that contacts go on from time to time between the United States and the Soviet Union regarding the Middle East problem.

[Question] Is this good?

[Answer] By God I cannot judge this. It is the United States and the Soviet Union who must judge this.

[Question] Your Highness, you know more than anyone else, or just as much as anyone else, His Excellency Syrian President Hafiz al-Asad: Do you see the possibility of the participation of His Excellency President Hafiz al-Asad in the negotiations now going on in the Middle East and at what stage and how?

[Answer] It is difficult to talk on behalf of President al-Asad, because President al-Asad has specific views and has disclosed his views and the reasons which caused him not to participate in this conference. It is difficult for me to answer on behalf of any Arab or non-Arab president, since he knows how he can explain matters to his people or any other world.

[Question] With regard to the question on the Kingdom of Saudi Arabia's issuing a clear declaration and statement supporting President as-Sadat's initiative, this could mean a great deal to President as-Sadat and to his initiative and could save his reputation. Why does not the Kingdom of Saudi Arabia publicly support President as-Sadat's initiative and do you believe that this is possible in the future?

[Answer] I do not believe that any statement is useful and constructive unless it has positive results. If there is a desire for matters to follow their natural course, Israel should respond to President as-Sadat's calls in the Knesset when he visited Jerusalem, and the United States must understand the views of President as-Sadat on this matter. This I believe is more useful than any statement to be made by any Saudi responsible official.

[Question] The Arab world is divided among itself nowadays. Support by the Kingdom of Saudi Arabia for President as-Sadat's initiative could mean, as you know and realize, a great deal to him.

[Answer] I do not believe that President as-Sadat is in need of moral support. But as-Sadat is in need of Israel's understanding. This is why he visited Jerusalem and why he conferred with the Israeli Prime Minister in Ismailia. Israel should respond to logic and withdraw from the Arab territories occupied in 1967. Only then, I believe, will there be no problem.

[Question] Did you know in advance of President as-Sadat's intention to go to Israel? In other words, did President as-Sadat discuss this with you?

[Answer] We had no prior knowledge of President as-Sadat's visit to Jerusalem.

[Question] Do you believe that he should have made the visit?

[Answer] This concerns President as-Sadat. President as-Sadat has known in detail the reasons why he made the visit to Jerusalem.

[Question] Do you believe that he should have discussed the issue with you in advance? You are his friend and are giving much aid to Egypt. You have your role in the Arab world. Do you believe that he should have discussed the issue with you before he went?

[Answer] I cannot interfere in the affairs of any leader of the Arab nation. This is his right, if he wants to keep the matter to himself, he has the right to do so; this is one of his rights.

[Question] Your Highness, in a statement to the Saudi press of 11 December you said that even if President as-Sadat's diplomatic initiative led to the establishment of peace in the Middle East, the kingdom of Saudi Arabia would not recognize Israel. Is this true?

[Answer] With regard to the press, one always finds oneself unable to say why the journalist writes what he wants to write. But what is reliable is what one utters personally.

[Question] Let me, then, put this question to you personally, if President as-Sadat's diplomatic initiatives led to the establishment of peace between Egypt and Israel and the Arab countries, would you in this case be prepared to recognize the existence of the State of Israel--the existence of an independent and sovereign Israeli state?

[Answer] If the Arab states recognize the existence of Israel, for the Kingdom of Saudi Arabia is an Arab state and within the framework of the Arab states.

[Question] All the Arab states?

[Answer] All the Arab states fall within one framework.

[Question] But not now?

[Answer] No. I do not know definitely that if there was response from Israel, matters would (?come) to something.

[Question] Your Highness, President as-Sadat told us that he expects the establishment of peace within 2 months. What is your opinion?

[Answer] I hope so.

[Question] May we now talk about oil? The latest OPEC conference decided to freeze prices; that was due to the leadership of the Kingdom of Saudi Arabia and Iran. Do you believe that freezing oil prices will continue until the end of 1978?

[Answer] This is what we believe.

[Question] What about 1979 and 1980?

[Answer] We also hope so. We, in the kingdom, try to cooperate with all the oil-consuming countries in the world, so that there will be no suffering; but this will not be sufficient unless the industrial countries respond by limiting the rise in the price of imported goods, because we are an importing country. Oil prices go up because of the rise in the price of imported goods.

[Question] Do you, therefore, predict a rise in oil prices in 1979 and 1980?

[Answer] I do not predict this, because I realize that this would cause problems in the world, in Europe, America, Asia and Africa alike. Therefore, the efforts of the Kingdom of Saudi Arabia have been aimed at and still are aimed at not to overburdening peoples by putting up oil prices.

[Question] In what circumstance do you expect another oil embargo or [word indistinct]? Or do you believe that this cannot happen? Are there any special circumstances under which you believe there could be another oil embargo, or do you regard this possibility as remote?

[Answer] I regard the possibility as remote.

PRINCE FAHD CONFERS WITH PRESIDENT BOUMEDIENE

LD051500Y Riyadh Domestic Service in Arabic 1400 GMT 5 Jan 78 LD

[Text] The closed meeting which was held at 1230 between Algerian President Houari Boumediene and His Royal Highness Prince Fahd ibn 'Abd al-'Aziz, crown prince and deputy prime minister, ended at 1515 this afternoon. This meeting was also attended by His Royal Highness Prince Sa'ud al-Faysal, the foreign minister, and by His Excellency Abdelazia Bouteflika, member of the Council of the Revolution and foreign minister of Algeria. At this meeting the talks which started this morning between His Majesty King Khalid ibn Al-'Aziz and His Excellency Algerian President Houari Boumediene were continued.

A responsible Algerian source described these talks as having taken place in a fraternal and friendly atmosphere. In a statement to the SUADI NEWS AGENCY, the source said that the spirit of total frankness prevailed at these talks. The source added that the bilateral relations were reviewed as well as the situation in the Arab world, particularly following the recent developments, as well as matters of interest to the Middle East and the Palestinian question. He said that the possibility of the Arab nation attaining strength and effectiveness in its stand so that it could influence international events and overcome all obstacles was also discussed.

SCHMIDT ENDS VISIT; SEEN OFF BY AS-SADAT

NC060940Y Cairo MENA in Arabic 0915 GMT 6 Jan 78 NC

[Text] Aswan, 6 January--German Chancellor Helmut Schmidt and his wife left Aswan for Bucharest this morning after a 10-day visit to Egypt during which Chancellor Schmidt held talks with President Anwar As-Sadat on the latest developments in the area.

Chancellor Schmidt was seen off at the airport by President Anwar as-Sadat and Mrs Jihan as-Sadat. He was also seen off by Vice President Husni Mubarak, Deputy Prime Minister and Minister of Electircity and Energy Eng Ahmad Sultan, Aswan Governor Kamal Khayrallah and the popular and executive leaders in the province.

Chancellor Schmidt was accorded an official sendoff. The German and Egyptian national anthems were played and the two leaders inspected the guard of honor. A boy and a girl presented two bouquets of flowers to the German chancellor and his wife.

President as-Sadat had held a brief meeting with the German chancellor in the airport lounge before the chancellor left Aswan.

KAMIL HANDS EILTS PLAN FOR POLITICAL COMMITTEE AGENDA

NC051525Y Cairo MENA in Arabic 1513 GMT 5 Jan 78 NC

[Text] Cairo, 5 January--MENA has learned that Foreign Minister Muhammad Ibrahim Kamil today received U.S. Ambassador to Cairo Hermann Eilts and handed him a copy of Egypt's proposals regarding the agenda of the political committee, which is due to convene in Jerusalem on 15 January.

It has been learned that in these proposals Egypt abides by its principles regarding the Palestine question, particularly in relation to the right to self-determination for the Palestinians and the withdrawal from all the occupied Arab territories.

PAPER DISCUSS EGYPTIAN-ISRAELI MILITARY COMMITTEE

NC060724Y Cairo MENA in Arabic 0636 GMT 6 Jan 78 NC

[Text] Cairo, 6 January--The Cairo newspapers today report that timetable for Israeli withdrawal from the occupied Arab territories and security arrangements and guarantees will be the main topic to be dealt with by the Egyptian-Israeli military committee which is to meet in Cairo on Monday.

The papers say: It is known that the Israeli plan for withdrawal from Sinai provides for withdrawal in two stages. The first stage is withdrawal to the Al-'Arish-Ras Muhammad line and the second stage to the international border.

The papers point out that the Egyptian plan for the establishment of a just and lasting peace in the Middle East, which Foreign Minister Muhammad Ibrahim Kamil handed to U.S. Ambassador in Cairo Hermann Eilts yesterday and which Eilts will communicate to U.S. Secretary of State Cyrus Vance, is based on two basic principles: total Israeli withdrawal from all the Arab territories occupied in June 1967 and the right of self-determination for the Palestinian people.

The paper says that President Anwar as-Sadat, during his meeting with Deputy Prime Minister and War Minister Gen Muhammad al-Jamasi yesterday, discussed all the details pertaining to the formation and the agenda of the joint Egyptian-Israeli military committee and the proposals Egypt is to submit to the committee meetings.

The papers cite a statement by General al-Jamasi in which he said that the military committee meetings will be held in Cairo and journalists will be allowed to attend the committee's opening session.

The papers say that the Israeli delegation to the military committee meetings will arrive in Cairo on Sunday. The meetings will start on Monday, 8 January.[day and date as received].

SHAH OF IRAN TO VISIT EGYPT 9 JANUARY

NC061044Y Cairo MENA in Arabic 1032 GMT 6 Jan 78 NC

[Text] Aswan, 6 January--MENA has learned that Shah Mohammad Reza Pahlavi of Iran will arrive in Aswan this Monday.

It has been learned that the shah's visit will last one day, during which his majesty will hold important talks with President Anwar as-Sadat on the latest developments in the Middle East situation.

AS-SADAT MEETS HEAD OF FRENCH NATIONAL ASSEMBLY

NC311453Y Cairo MENA in Arabic 1414 GMT 31 Dec 77 NC

[Text] Cairo, 31 December--President Anwar as-Sadat has announced that Egypt is willing to accept all guarantees that will provide security and peace for all states of the Middle East.

His excellency affirmed that there has been progress in the trend toward peace despite all the problems that have not been solved as well as the disparity of views concerning some subjects, particularly the Palestinian problem.

President as-Sadat noted that he understands Israel's security motives but at the same time he considers self-determination an inalienable right of the Palestinians.

The president said this during a meeting with Edgar Faure, the president of the French National Assembly, who brought him a message from French President Giscard d'Estaing.

During the meeting, President as-Sadat outlined the latest developments in the Middle East situation. He also gave Edgar Faure a message to President Giscard.

Edgar Faure is currently visiting Egypt as part of a tour of several Arab countries.

BRITISH DEFENSE MINISTER ARRIVES FOR ARMS DEAL

LD041027Y London DAILY TELEGRAPH in English 4 Jan 78 p 1 LD

[Article by R. Barry O'Brien in Cairo]

[Text] Mr Mulley, defence secretary, arrived in Cairo yesterday for talks to pave the way for Britain to take over from Russia as Egypt's principal arms supplier.

President as-Sadat, after his break with Russia, is looking to the West to re-equip his armed forces. Britain has a freer hand as an arms supplier than the United States, which is restricted by its commitments to Israel.

Mr Mulley's visit follows the signing in Cairo last month of a 40-million-pound Anglo-Egyptian arms deal seen as the first of a series of multi-million deals between Egypt and British arms firms over the coming months.

He will fly to Aswan for talks today with President as-Sadat following the Egyptian leader's meeting with President Carter. He will return to Cairo for talks with officials before flying on to Jordan on Saturday.

He is the guest of the Egyptian Ministry of War and War Production and of the Arab Industrialisation Organisation (AIO) set up by Egypt, Saudi Arabia and the United Arab Emirates and Qatar to manufacture arms in Egypt with Arab oil money.

Egypt has shown interest in a range of British defence hardware, including electronic equipment for combat aircraft. It is also looking to Britain to refit its Russian MIG-21 fighters and a deal with Rolls Royce for the supply of new engines for them is expected.

Mr Mulley's arrival is seen as an indication that talks have reached an advanced stage.

Received by As-Sadat

NC0051536Y Cairo MENA in Arabic 1507 GMT 5 Jan 78 NC

[Text] Cairo, 5 January--President Muhammad Anwar as-Sadat today received British Secretary of State for Defense Frederick Mulley.

The meeting was attended by Gen Muhammad al-Jamasi, deputy prime minister and minister of war and war production.

FOREIGN RELATIONS COMMITTEE ISSUES STATEMENT

NC0031656Y Cairo Domestic Service in Arabic 1500 GMT 3 Jan 78 NC

[Text] The People's Assembly Foreign Relations Committee today issued a statement following a joint meeting with the assembly Arab affairs committee during which the two committees heard two statements by the Minister of state for foreign affairs, Dr Butrus Ghali, and the head of the Egyptian delegation to the Cairo conference, Dr 'Ismat 'Abd al-Majid.

The statement says that after the two committees in their joint meeting studied the realities of the present situation from all its aspects and heard all the political opinions of its members the committee reached the following conclusion:

1. Just and lasting peace in the Middle East can only be achieved through total withdrawal from all the Arab territories which Israel occupied in 1967, the nonpresence of any occupation forces in any Arab territory and the nonsubjugation of any Arab territory to any form of Israeli domination. Any peace plan that does not endorse this principle will be contrary to the provisions of Security Council Resolutions No 242 and No 338 and contrary to the Israeli Government announcement that it is ready to hold peace talks on the basis of these resolutions.

2. The committee rejects any proposals that insure the continued existence of Israeli settlements in the Arab territories and calls on the Israeli side to immediately dismantle the settlements already established in implementation of the UN resolutions.

3. The committee is of the opinion that security guarantees under any peace agreement must be insured for all the parties concerned in accordance with Resolution 242, which refers to the right of all the states in the area to live in peace within secure borders.

4. Since the recognition of the national rights of the Palestinian people is considered an essential basis for the establishment of permanent peace in the area, the recognition of these rights demands respecting the principle of the right to self-determination which is guaranteed by the UN Charter. Therefore, any peace plan that does not recognize this right for the Palestinian people cannot achieve just and lasting peace in the area because it disregards the core and essence of the problem. In this respect, the committee, out of its belief in the basic role which the United States of America must play, awaits with interest the U.S. administration's clarification of its position on the recognition of the right of the Palestinian people to self-determination. This right is one of the basic human rights which the U.S. President defends.

5. The committee asserts its total support for President as-Sadat's repeated statements in which he reiterated Egypt's firm policy of not agreeing to the conclusion of a separate peace [sulh] or partial peace [salam], of adhering to the right of the Palestinian people to self-determination, including the establishment of their independent state. In view of Egypt's principled stand on the cause of the Palestinian people, from which it will never deviate, the committee calls on the PLO leadership to adopt positive stands, abandon its negative stands, and begin a new stage of sharing in Egypt's efforts to strengthen the struggle of the Arab people. The committee is of the opinion that the Arab situation requires the adoption of more specific and more positive stands by certain Arab states. The rejectionist states must reconsider their position, particularly after they have been reassured of the position of the Egyptian negotiator in the Ismailia talks. This is in order to strengthen Arab solidarity and intrinsic Arab power so that the peace challenge can achieve positive results.

The committee appeals to the Arab information media to rise to the level of their national responsibility in this period in order to achieve objective dialog and Arab coordination. The committee awaits the possible results of the meetings of the political and military committees which it has been decided to set up under the Cairo preparatory conference so that the representatives of the people can follow up the political situation in this new stage--the stage of diplomatic movement toward peace.

SALIM DISCUSSES POLICY TOWARD MIDDLE EAST ISSUE

NC0520547 Cairo Domestic Service in Arabic 2000 GMT 5 Jan 78 NC

[Text] Mamduh Salim, the prime minister and head of the Arab Socialist Party of Egypt, has affirmed that Egypt's stand, as it has always been, is clear and specific on the Middle East issue, particularly on the Palestinian people. Salim also emphasized that this stand will not change.

The above statement by the prime minister was quoted by 'Abd al-Mun'im as-Sawi, minister of information and culture and secretary general of the Arab Socialist Party of Egypt in Cairo, in a statement he made to the radio correspondent following the meeting held today between Mamduh Salim and the leaders of the Arab Socialist Party of Egypt in Cairo and the party's parliamentary group.

His excellency added that during the meeting the latest developments in the Middle East situation were explained an analyzed in the light of President as-Sadat's peaceful initiative and the meetings which followed President as-Sadat's visit to Jerusalem. The latest of these meetings was his excellency's meeting with FRG Chancellor Helmut Schmidt and U.S. President Carter. There are also the president's anticipated meetings with His Majesty King Husayn and the shah of Iran and the results which will be produced by these meetings. These meetings will produce clear progress in the process of pushing the peace movement toward the attainment of its goals.

FOREIGN MINISTER KAMIL MEETS WITH ARAB AMBASSADORS

JN011155Y Cairo MENA in Arabic 1130 GMT 1 Jan 78 JN

[Text] Cairo, 1 January--Foreign Minister Muhammad Ibrahim Kamil met successively today with the ambassadors of the YAR, UAE and the Sultante of Oman in Cairo.

These meetings come as part of the meetings the foreign minister is holding to explain the latest developments in the Middle East situation in light of the outcome of the Ismailia meetings between President Anwar as-Sadat and Israeli Prime Minister Menahem Begin as well as in light of the outcome of the Cairo meetings which assert Egypt's adherence to the right of the Palestinian people to self-determination and the establishment of their independent state.

ISMA'IL FAHMI CRITICIZES AS-SADAT INITIATIVE

LD231625Y Beirut EVENTS in English 30 Dec 77 pp 19-22 LD

[Unattributed report on undated Cairo interview with former Egyptian Foreign Minister Isma'il Fahmi]

[Text] Every major television network, radio station, newspaper and magazine has interviewed President Anwar as-Sadat, to the point that Cairo Radio news bulletins these days consist of little more than reporting on these interviews. In order to cope with the flood, the Egyptian president now gives collective interviews and, in view of his habit of declaring major policy decisions during these encounters with the world press, the leading television networks are keeping their equipment in the president's palace on a permanent basis. Sighed one senior aide: "The entire residence has turned into one gigantic television studio."

On the other side of Gezira Island, on the ninth floor of a modern building, former Foreign Minister Isma'il Fahmi also receives a stream of journalists. He readily offers interviews, but invariably issues a statement denying his declarations as soon as the interviews are published. Many of those who have met Fahmi recently reported afterwards that they got the impression they were talking to Muhammad Hasanyn Haykal, the former editor of the influential AL-AHRAM, 'Abd an-Nasir's trusted confidant and critic of As-Sadat. In his talks Fahmi made it sound as if he had been in opposition as far back as 1970, rather than being one of As-Sadat's senior aides until only a few weeks ago.

What weakens Fahmi's opposition to As-Sadat's journey to Israel is that, like many Orientals, he sees things only in black and white. He now criticises As-Sadat's entire policy line, starting with the decision to expel Soviet experts, and even including the October war--though Fahmi himself was involved in the preparatory stages, and frequently lauded it afterwards. Fahmi's position is further weakened, in the eyes of the Egyptians, by the fact that he does not observe the protocol of high office.

Protocol dictates that those who hold senior positions do not indulge in discussing matters of state until a certain period has elapsed.

Fahmi, however, appears to suffer from a Haykal complex (and some informed sources insist that it was Haykal who persuaded Fahmi to resign). Today Fahmi is talking freely about publishing his memoirs and says that he is already negotiating with publishers for a book to include all the inside information on Egyptian politics, during a period crammed with major developments.

Fahmi is obviously trying to remain in the limelight, though he criticises As-Sadat for precisely the same reason. He insists that As-Sadat's trip to Israel was a television show, no more and no less. Nevertheless, his resignation merits an explanation, his reasoning deserves to be scrutinised and his pessimism should be studied and analysed.

Fahmi contends that As-Sadat's initiative was originated by Israel, and therefore should be boycotted. He says it was proposed by Menahem Begin, and relayed by Nahum Goldmann to Morocco's King Hassan. As-Sadat was sold on the idea by mid-September and talked to him about it, Fahmi says. Fahmi objected strongly and was able, as he says, to put the lid on it.

How then, did the idea come back to life? Fahmi's reply conforms with the general idea that As-Sadat's initiative was a haphazard one and not the outcome of studies in depth, or agreements. It results from a phrase uttered by the president in his speech to the Egyptian assembly. It was an announcement not included in the original text--a practice which has become an Egyptian tradition since the July 1952 Revolution.

The decision to nationalise the Suez Canal, for example, was not in the original text of 'Abd an-Nasir's speech, neither was 'Abd an-Nasir's call for the first Arab summit conference to be held in Port Said in 1963. The same applies to As-Sadat's recent initiative in calling for a Cairo conference, attended by Israeli, to prepare for a Geneva meeting.

Fahmi adds that As-Sadat told him, after he had delivered his assembly speech on November 9: "I have said it, Isma'il. You get in touch with the newspapers and correct that." Fahmi did, but while he was doing so, a meeting was being held between Prime Minister Mamduh Salim and Assembly Speaker Sayyid Mar'i to arrange for a counter-contact with the press. This, according to Fahmi, explains why Cairo papers differed in playing up that phrase which changed the course of history in the Middle East.

Fahmi said that if he had any suspicion that As-Sadat was serious in his offer to go to Israel, he would have promptly resigned. He would not even have gone to Tunis to attend the Arab foreign ministers conference from November 12. Asked why he would have resigned, Fahmi replied: "Becuse it is impossible to overthrow the strategy of 30 years by a single initiative. All the descriptions given to such an initiative...an astounding surprise...the mixing of all the cards...tipping the balance...upsetting all calculations ...all these descriptions show that the initiative was not a calculated political action.

Major achievements do not suddenly occur like earthquakes and disasters, uncontrollable, incalculable events. Even if it comes as a surprise to those not acquainted with developments, its immediate conformity with the new situation makes it appear as an inevitable result. Those who compare it to Nixon's visit to China make many allowances. Nixon's visit was preceded by secret contacts, definite agreements and an accord on the minimum acceptable to both sides.

"President as-Sadat himself confirms that his initiative was a deliberate action not preceded by any contacts, any agreements, and was aimed only at breaking the Israeli psychological barrier. It is as though the Arabs were to get their rights back simply by opening a psychiatric clinic to cure the Israelis of their complex of fear. In fact, it is the Arabs that suffer a psychological barrier because it is they who suffered invasion and defeat."

Fahmi was reminded that As-Sadat has said more than once that his visit had achieved two objectives: It had averted an imminent war that could have broken out by miscalculation. Secondly, it had reopened the way to Geneva after it was blocked through wrangling over procedural matters.

Fahmi replied: "That is not true. There was never any danger of war, simply because Israel has no interest in launching one at the present time, and the Arabs are not capable of starting one. As for the maneouvres that the president said could have led to an unpremeditated war, the early warning method was adequate, and it did not require going to the Knesset.

"As for Geneva, the road was never blocked. On the contrary, an agreement on all arrangements was reached during President as-Sadat's visit to Saudi Arabia and was followed by Foreign Minister Prince Sa'ud al-Faysal visiting Damascus, where he succeeded in persuading President Hafiz al-Asad to waive many of his reservations. As-Asad invited President as-Sadat to Damascus to agree on a plan for Geneva. But the president went to the Syrian capital with his mind made up to go to the Knesset. My estimation now is that the Geneva conference will not be convened. It has become pointless after President as-Sadat has launched the method of direct negotiation."

However, there is the argument that there are two sides to the threat-of-war theory. Firstly, Israel's interest, which was confirmed by a variety of reports that--following the U.S.-Soviet statement--the Begin government was planning an offensive to change the balance in the area, exlude the superpowers from endeavours for a settlement, put an end to the Geneva conference, and impose an Israeli settlement by force of arms. What As-Sadat did was to turn that situation inside out: He chose to escalate--but through a peace movement.

As for the argument that the Arabs are not ready for war--this should be one up for As-Sadat, who appeared in the Knesset offering peace to the Israelis, while unable to wage war against them. He granted the Israelis the right to exist and appeared to offer them peace and security. He gained worldwide recognition for his noble, generous gesture when in reality it is the Arabs who need peace and security even more, because of their military situation.

Was this not a diplomatic coup? All comments in the American press, even those closely aligned with Zionism, agreed that As-Sadat has forced Israel to account to the world once more, after it had turned its back, and that Israel was now required to reciprocate As-Sadat's initiative. Had it not been for the split among the Arabs--which overshadowed a large part of the effects of As-Sadat's visit--Israel would have been compelled to lay its cards down immediately after the visit.

"This is the difference between calculated policies and television initiatives," Fahmi said. "Any calculations would have taken Arab reaction into consideration. Judging by what happened since the (former U.S. Secretary of State William) Rogers' initiative and the first and second disengagement agreements, we should have anticipated a rejection by the Arabs--not only by the rejectionist front but by the most moderate as well. Take the attitude of Saudi Arabia, which broke with tradition and issued a statement opposing the visit and indicating that it had sent a special emissary trying to persuade the president from carrying it out.

"When AL-AHRAM reported that Saudi Arabia supported the visit to Israel, the Saudis issued a categoric denial. This stand, adopted by Saudi Arabia and other gulf countries, is partly due to the presence of Palestinians in those countries. As for the United States, the initiative was a blow to Carter's policies and all his endeavours to convene the Geneva conference this year. Furthermore, the United States does not want to be dragged into any confrontation with the Soviet Union by going along with Egypt and Israel for a unilateral solution.

"The Soviet position was clear from the first day. It rejected the initiative and threw all its weight against As-Sadat. I can assure you that the Soviet Union warned the United States that Moscow will not allow a separate peace between Egypt and Israel. This perhaps explains the lukewarm response that As-Sadat's second initiative in calling for the Cairo conference received from Washington. The United States also pushed the UN secretary general to call for a conciliatory conference in New York. It also explains the low-level delegation Israel has chosen for the Cairo meeting. The United States has counselled Israel to pour cold water on As-Sadat's rashness. As-Sadat was displeased with the delegation and criticised its composition publicly. It is not conceivable that the question of Arab-Israeli peace be discussed between Ben-Elisar and Ismat al-Majid."

Was the United States then against the As-Sadat initiative? "Yes," Fahmi stressed, "the major powers do not like surprises. They have their interests and calculations. Even France objected and stopped an EEC statement of support when it became worried about its interests in the Arab world. True, the United States is trying to control the situation and limit the effects of improvisation. It is only because the U.S. administration includes a number of amateurs brought in by President Carter that such surprises can occur. Is it conceivable under normal circumstances that President as-Sadat can issue a surprise invitation to the United States and the Soviet Union to come to Cairo to discuss the future of the Middle East, without prior consultations or indications? Neither Moscow nor Washington is capable of issuing such an invitation through a broadcast."

Granting that both Moscow and Washington were offended by the As-Sadat initiative, or at least taken by surprise, what could they do if Egypt and Israel should conclude a direct agreement?

"There will never be an agreement between Egypt and Israel," Fahmi said, "because Israel will give Egypt nothing. If Israel should agree to peace with Egypt in return for all of Sinai, then Israel would have driven a wedge between its principles of security and border modifications and could not object to total withdrawl on other fronts.

"It is in the interest of Israel as well to work for the escalation of Arab differences. An agreement with Egypt would divide the Arabs into two distinct camps, one of which rejects peace with Israel. Furthermore, Israel knows too well the rules of the international games being played in the Middle East. It knows clearly enough that it is not in its interests to arouse the fears of the super-powers through its policies.

"Assuming that Israel actually seeks a separate peace with Egypt, which would give Israel a free hand in the Middle East, it knows that what it desires is one thing, and what is possible is a totally different matter. Politics is the art of the possible. The proof is that Israel never gave the president anything in return for his trip to Jerusalem, contrary to the expectations of Egyptian officials. I recall here that a senior Egyptian official told an Egyptian journalist 'wait for As-Sadat's report to the assembly. You will get the answer to all the questions raised by supporters and objectors to his initiative. But As-Sadat's report came on December 3, and there was no mention of any Israeli concessions. The senior Egyptian official consequently had to evade the questions of the journalist.

"The bitter truth," Fahmi added, "is that Israel gave As-Sadat nothing. This is why, in my belief, As-Sadat was pushed into making a second initiative."

Fahmi was asked whether he meant that a solution is not within reach and that the Middle East is heading for a period of coups d'etat and collapse, like it suffered during the 1960's. He replies: "We may not witness coups d'etat, but there will be assassinations. I believe the Palestinians will freeze their activities in Lebanon and against Israel, and escalate them in the Arab world.

"The statement issued by the combined Palestinian organisations will have far-reaching effects, even if it is devoid of political substance. The Palestinians may move by themselves, or through international terrorist organisations which collaborate with them. There is no escape except through a major surgical operation that would restore Arab solidarity on an entirely new basis."

The discussion with Isma'il Fahmi was an extended one, but it was necessary in order to understand the views of the opposition in Egypt, particularly from an official who, until recently, was As-Sadat's senior aide. Fahmi himself wanted to defend his decision to resign and explain that it was not an escapist act in the face of Arab rejection. If Isma'il Fahmi wishes to deny this discussion, we must admit that we did not obtain his permission to publish it and we appreciate his circumstances.

We decided to publish this encounter because we believe it was necessary to balance the campaign launched by As-Sadat himself (67 interviews until going to press). As-Sadat himself says opposition is healthy and useful in his confrontation with Israel.

Fahmi in fact enjoys the liberty to say what he wants and to talk to any journalist he wishes to see. It is the same for Haykal, who has just written a series of 12 articles and is now seeking to market them in the Arab world. Even when the Egyptian press itself was hesitating to report on opposition inside the People's Assembly, As-Sadat ordered it to do so.

Whatever the pros and cons As-Sadat's initiative was a gamble with destiny. It can be judged only by its outcome and not by its intentions. The success of As-Sadat's peace initiative relies on three factors. The first is Israel's willingness to buy peace with Egypt at the price demanded by the Arabs: withdrawal from occupied territories and Palestinian rights. The second is the United States' putting its full weight behind a deal with the Soviet Union that will compensate it for any eventual losses, and at the same time pressuring Israel into accepting what it previously regarded as unacceptable. The third is for the Arabs to agree on a formula that would restore their solidarity.

As for the first factor, there is no indication that Israel is willing to pay the price of As-Sadat's initiative, although Israeli opposition is beginning to clamour for basic concessions. The second factor remains feasible because the Carter administration does not want to lose everything and is trying to contain the Egyptian initiative. It was indeed Carter who set the date for the Cairo conference and dispatched Cyrus Vance to the area in an attempt to bring Cairo and Damascus closer together. Reports said that if Vance succeeds, a major ambition nurtured by the U.S. President would be realised: to go personally to Cairo or Geneva and bring all sides together for the desired settlement.

Yet there are those in the Egyptian administration who insist that the As-Sadat initiative was an expression of dissatisfaction with the American administration, its insistence on a global settlement, and the U.S.-USSR joint statement, which irritated both Egypt and Israel. Such a reasoning shows that subconsciously, the Egyptians share King Hassan's hopes for a remarriage between Arabs and Jews, which was once said to have introduced the Semite civilisation into Andalusia

However, until two of the three factors are realised As-Sadat will continue to walk alone on the road of agony until he can prove that it is, after all, the road to peace.

HUSAYN MEETS WITH ARAB POPULAR CONFERENCE OFFICIALS

JN051557Y Baghdad INA in Arabic 1415 GMT 5 Jan 78 JN

[Text] Baghdad, 5 January--Saddam Husayn, Revolution Command Council vice president, has stated that Iraq will always be ready to sacrifice in order to serve national issues. He said that Iraq, however, does not accept being a cover for any negligence or treason by anyone under any circumstances whatever.

Receiving at noon today members of the permanent general secretariat of the Arab popular conference presently convened here, Saddam Husayn pointed to Iraq's national stands and the new offensive it has launched in the Arab arena. He stressed that this Iraqi position represents the minimum it can accept in this phase and the strategy leading to liberation and resisting imperialist-Zionist plans.

Sahham Husayn called on members of the general secretariat to be frank and precise in their evaluation of rulers and regulations and not to flatter anyone at the expense of the Arab nation's dignity and its firm national rights.

In a speech delivered at the beginning of the meeting on behalf of delegation members, Abd al-Majid Farid, chairman of the Arab popular conference, praised the firm Iraqi stands which he described as [words indistinct] aspirations for victory and unity by the Arab masses.

Mr Farid, member of the Egyptian progressive forces, stressed the importance of the presence of Iraq in any national front to be set up to confront the imperialist challenges the Arab countries are facing and to check the stage of collapse through which the Arab nation is passing.

Umar al-Hamidi, popular conference secretary general, also spoke during the meeting about the work of the conference and the resolutions it adopted in Tripoli last month. He also spoke about the work of the permanent committee currently convened in Baghdad. Mr al-Hamidi said that any Arab front of confrontation and steadfastness in which Iraq is not one of its cornerstones would be a weak front. He added: Our meeting with Saddam Husayn comes in implementing a decision adopted by the Arab popular conference on the necessity of contacting the political leadership in Iraq and Syria to become acquainted with details of their positions. [Words indistinct] the members of the secretariat will proceed to Syria.

USSR SCIENCE DELEGATION ARRIVES IN BAGHDAD

JN020909Y Baghdad INA in Arabic 0715 GMT 2 Jan 78 JN

[Text] Baghdad, 2 January--A delegation of the USSR Academy of Sciences led by Professor Bromley, the assistant secretary of the academy, arrived in Baghdad today on a 4-day visit to Iraq. During the visit the delegation will hold talks with Iraqi officials aimed at strengthening the cooperation between the Soviet and Iraqi science academies.

OIL MINISTER MAKES STATEMENT ON OIL PROJECTS

JN011838Y Baghdad INA in Arabic 1400 GMT 1 Jan 78 JN

[Excerpts] Baghdad, 1 January--Tayih 'Abd al-Karim, Revolution Command Council member and oil minister, has stated that Iraq's victory in the nationalization battle has created a radical change in the sphere of oil production.

In a statement to the press, the oil minister added that the oil sector is going ahead with the implementation of the plan for fulfilling pan-Arab development.

The minister pointed out that the new year will be full of activities in the oil sector. This week the first stage of the establishment of the Iraqi fleet to transport crude oil will be completed when the 15th oil tanker Al-Mustansariyah arrives in territorial waters.

Speaking about Oil Ministry projects, the minister said that during the current month the first stage of the project for exploiting natural gas in the south will be opened. Under this project more than 550 million cubic feet of gas, which is located with the oil in the southern Ar-Rumaylah oilfield, will be exploited. Liquids will be separated from this gas and restored to the crude oil. This gas will be used to supply the iron and steel plants in Khawr az-Zubayr, the electric power station in Khawr az-Zubayr, the two fertilizer factories in Abi al-Khasib, the petrochemical complex and other development projects in the south to meet their fuel requirements.

Another project to be opened will be the liquid gas production project in Basra. This will have an annual capacity of 100,000 tons of liquid gas. This project will use 280 million cubic feet of natural gas daily supplied by the first stage of the project for the exploitation of southern gas. The project costs 5.5 million dinars, that is, about $17 million, and its implementation is being supervised by the public establishment for oil projects.

The oil minister also said that the public establishment for refining oil will complete the project for increasing the Basra oil refinery capacity from 3.5 to 7 million tons annually. It will also build new refining units and improve current projects. New high quality oil products will be placed on the market.

The oil minister said the ministry is now preparing to establish the Arab institute for training in oil activities which the OAPEC decided to set up in Baghdad to supply cadres to the Arab oil industries. Our institutions will also expand in the area of development and training.

Concluding his statement, the minister affirmed that during the 5-year plan the oil sector will grow at an annual rate of 15.5 percent.

ARMY DAY CELEBRATED; PROJECTS TO BE INAUGURATED

JN061000Y Baghdad INA in Arabic 0730 GMT 6 Jan 78 JN

[Excerpts] Baghdad, 6 January--Celebrations marking the 57th anniversary of the establishment of the Iraqi Army began here this morning by the laying of a wreath at the Unknown Soldier Monument on behalf of President Ahmad Hasan al-Bakr. Taha Yasin Ramadan, member of the Revolution Command Council [RCC] and minister of public works and housing, laid the wreath on behalf of the president. Several members of the RCC, ministers, heads of diplomatic missions, military attaches and high-ranking armed forces officers attended. Several projects will be inaugurated in various parts of Iraq during these celebrations.

The newspaper ATH-THAWRAH, organ of the Arab Socialist Ba'th Party, says on this occasion that the Arab masses are looking to the army in this difficult phase in the life of the Arab nation to play its honorable role in foiling the liquidationist and capitulatory designs which are persistently being implemented in the aftermath of As-Sadat's humiliating visit to the occupied areas and his talks with the leaders of the Zionist enemy.

HUSAYN RECEIVES LETTERS FROM CARTER, KHALID

JN052000Y Amman Domestic Service in Arabic 1900 GMT 5 Jan 78 JN

[Text] His Majesty King Husayn has received a letter from U.S. President Jimmy Carter dealing with developments in the situation in the region, the stages reached in peace endeavors and future developments. The letter was delivered to his majesty by the U.S. ambassador in Amman.

Message From Saudi King

JN052001Y Amman Domestic Service in Arabic 1900 GMT 5 Jan 78 JN

[Text] His Majesty King Husayn received at the Royal Hashemite Court this afternoon His Highness Turki al-Faysal, who conveyed to his majesty a message from King Khalid ibn 'Abd al-'Aziz dealing with the latest developments in the Arab region and the fraternal and strong relations between the two sisterly countries.

Prince Turki arrived in Amman this afternoon.

RADIO QUOTES AL-AHRAM ON FORTHCOMING ASWAN TALKS

JN051257Y Amman Domestic Service in Arabic 1200 GMT 5 Jan 78 JN

[Text] The Cairo newspaper AL-AHRAM today reports that in the next few days Aswan will witness a series of important talks regarding the latest developments in the Middle East question. The paper explains that these talks will begin after President as-Sadat returns from his visit to Sudan, which will begin the day after tomorrow, Saturday.

Reports say that the aim of these talks is to make a comprehensive assessment of the Middle East situation following President as-Sadat's visit to Israel last November.

BRIEFS

TRADE WITH HUNGARY--The president of the Jordanian Chamber of Industry today met with the commercial adviser in the Hungarian Embassy in Amman and discussed aspects of trade cooperation between the two countries. The adviser expressed the hope that certain industrial establishments in Hungary will have the opportunity to organize an industrial fair in Jordan next fall. [Text] [Amman JNA in Arabic 1525 GMT 5 Jan 77 JN]

BEIRUT RADIO REPORTS ON AS-SADAT-CARTER MEETING

NC041920Y Beirut Domestic Service in Arabic 1730 GMT 4 Jan 78 NC

[Excerpt] The 50-minute meeting between U.S. President Carter and Egyptian President Anwar as-Sadat in Aswan this morning was important because it clarified U.S. policy on the Middle East crisis and Egypt's views. Let us begin with the U.S. view of the problem. Was there anything new and exciting with regard to crisis in the area? U.S. President Jimmy Carter today outlined new principles for a peaceful settlement to the Middle East dispute, including recognition of the rights of the Palestinian people and their right to take part in self-determination. In a carefully worded statement, President Carter said after his meeting with President as-Sadat in Aswan today:

We think there are certain basic principles which must be maintained before a just and comprehensive peace is achieved. True peace must be based on normal relations among the parties to the peace. Peace means more than just putting an end to the conflict. Israel must withdraw from the territories it occupied in 1967 and an agreement must be reached on secure and recognized borders for all the parties as part of normal peace relations in accordance with UN Resolutions 242 and 338. These resolutions constitute the general guidelines which the Security Council established some time ago for a peaceful settlement in the Middle East. All aspects of the Palestinian problem must be solved. The solution must recognize the legitimate rights of the Palestinian people and enable the Palestinians to take part in deciding their future. President Carter added: There is always a need for some flexibility to insure successful negotiations and to find a solution to conflicting views.

The Palestinian issue was the main obstacle which President as-Sadat and Israeli Prime Minister Menahem Begin were unable to overcome during the summit conference they held in Ismailia on 25 and 26 December.

President Carter's statement today seemed to be open to a number of interpretations. These ranged between support for a referendum and allowing Palestinian negotiators to take part in the peace talks, to which they have already been invited. It also seemed that the U.S. President's statement constitutes a compromise between Egypt's demand for Palestinian self-determination in the occupied West Bank and the Gaza Strip and Israel's offer of limited autonomy.

FOREIGN MINISTER MEETS WITH SOVIET AMBASSADOR

NC031415 Beirut Domestic Service in Arabic 1230 GMT 3 Jan 78 NC

[Text] Foreign Minister Fu'ad Butrus today continued his diplomatic contacts and consultations with the ambassadors of the big powers in Lebanon on developments connected with the Middle East crisis.

Minister Butrus met for 1 hour this morning with the Soviet Ambassador to Lebanon, Aleksandr Soldatov, who said after the meeting that he held a round of talks with the foreign minister on the situation in the area and exchanged views on developments connected with the Middle East crisis.

Discussion new developments regarding the Geneva conference, the ambassador said that the Soviet attitude on the Geneva conference has been defined by CPSU Secretary General and President of the USSR Supreme Soviet Brezhnev, namely, that the Soviet Union supports the convening the Geneva conference and is working toward this goal. He said: However, I believe that the other parties must exert special efforts to call for the convening of the conference.

Regarding Lebanon's participation in the Geneva conference, the Soviet ambassador said: We did not broach this subject. He added that the discussions dealt with the situation in general because there are many moves by some of the states in the area to carry out unilateral or separate actions, particularly Israel. He added: Such actions are liable to affect the holding of the Geneva conference. Therefore, it is very important to correct the situation and the terms for holding the conference.

He said: You are well aware that the Soviet Union has always been against separate solutions and any moves imposed (?on) the Arab states regarding the Geneva conference and the definition of the main problems. The Soviet Union's attitude on such issues as the withdrawal of Israeli forces from the occupied Arab territories, the establishment of an independent Palestinian state, providing security for all the states in the area and the creation of conditions for a permanent peace is well known. Therefore, the Soviet Union is doubling its efforts to have the Geneva conference convened because a discussion of a comprehensive settlement is important. Such a settlement can only be arrived at by the Geneva conference.

Asked if President as-Sadat's initiative has failed, the ambassador said: I believe that President as-Sadat failed from the beginning because the method of unilateral or separate steps is against the interests of the Arab states.

INA: 'CHRISTIAN DEMOCRATIC ORGANIZATION' FORMED

JN300925Y Baghdad INA in Arabic 0850 GMT 30 Dec 77 JN

[Text] Beirut, 30 December--The formation of a new organization called the Christian Democratic Organization was announced here today. The organization said in a statement on the occasion that it aims to eliminate manifestations of political and administrative sectarianism. It also aims to end the evacuation and segregation of peoples on the basis of sects. It aims to build a national army in Lebanon.

In its statement, the organization called for solving the problem of southern Lebanon to protect it from Zionist threats and to work for the building of a new democratic Lebanon that will insure social guarantees for its sons.

SYRIAN SOCIAL PARTY MAGAZINE SUSPENSION ORDERED

NC051630Y Cairo MENA in Arabic 1530 GMT 5 Jan 78 NC

[Text] Beirut, 5 January--A decision was issued today to suspend the magazine AL-BINA', the organ of the Syrian Social Nationalist Party, which is published in Beirut, for 1 week ending 13 January.

The Lebanese press censorship administration has issued this decision because the magazine violated the censorship laws by publishing in its latest edition an article attacking some Lebanese papers which support the current peace efforts in the Middle East.

KHADDAM RECEIVES U.S. CONGRESSIONAL DELEGATION

JN051716Y Damascus Domestic Service in Arabi 1615 GMT 5 Jan 78 JN

[Text] At noon today 'Abd al-Halim Khaddam, deputy prime minister and foreign minister, received a U.S. congressional delegation led by Clement Zablocki, chairman of the International Relations Committee of the House of Representatives. During the meeting the discussions dealt with Middle East developments and the capitulationist visit As-Sadat paid to the Zionist entity as well as relations between Syria and the United States.

Khaddam explained the Syrian position on the Arab-Israeli conflict. He said: When we discuss the subject of peace, we do so according to principles based on the UN Charter and based on the complete Israeli withdrawal from all occupied Arab territories and guaranteeing the firm national rights of the Palestinian Arab people.

Khaddam further stated: The Egyptian-Israeli dialog has led to an imbalance in the region and has checked the peace march the region was witnessing. He added: What is occuring now is capitulation, not peace.

Khaddam stressed the necessity of establishing an independent Palestinian state. He said: This state must be established under the leadership of the PLO in its capacity as the sole legitimate representative of the Palestinian Arab people. Mr Khaddam affirmed that any Middle East peace settlement must include a solution to the Palestinian question, the crux of the Arab-Israeli conflict. Khaddam added: We will continue our struggle to achieve a just and lasting peace in this region. For us peace is a (?firm) aim.

At the conclusion of the meeting the deputy prime minister and foreign minister spoke about relations between Syria and the United States.

The congressional delegation praised Syria's role in Lebanon and in restoring normal life and peace to it.

PRESIDENT RECEIVES MESSAGE FROM KING KHALID

JN052043Y Damascus Domestic Service in Arabic 1915 GMT 5 Jan 78 JN

[Text] At 1900 this evening President Hafiz al-Asad received His Highness Prince Turki al-Faysal, envoy of His Majesty King Khalid ibn 'Abd al-'Aziz, who delivered to the president a message from His Majesty King Khalid on his discussions with U.S. President Jimmy Carter.

His Highness Prince Turki arrived in Damascus at 1700 this evening. He was welcomed at the airport by Dr Adib ad-Dawadi, political adviser to his excellency the president.

BA'TH OFFICIAL RECEIVES ERITREAN LIBERATION GROUP

JN051432Y Damascus Domestic Service in Arabic 1215 GMT 5 Jan 78 JN

[Text] Arab Socialist Ba'th Party Assistant Secretary General Comrade 'Abdallah al-Ahmar at noon today received the delegation of the Eritrean Revolutionary Council under Abdallah Suleiman, member of the Executive Committee of the Eritrean Liberation Front and chairman of the foreign relations bureau of the front, and the delegation accompanying him. Comrade Dr Fawwaz Sayyagh, member of the Arab Socialist Ba'th Party National Command and chairman of the foreign relations bureau at the National Command, also attended.

Comrade al-Ahmar heard from the delegation a detailed explanation of the latest developments in Eritrea and the victories achieved by the Eritrean people through their struggle for liberation and independence.

The chairman of the Eritrean delegation expressed his gratitude and that of the Eritrean people for the material and moral support rendered by the Arab Socialist Ba'th Party under the leadership of Comrade Hafiz al-Asad, secretary general of the party and president of the republic, and by the people and Government of the Syrian Arab Republic to the Eritrean revolution with the aim of supporting the revolution of the Eritrean people to achieve independence and to build an advanced and developed society. He also expressed the Eritrean people's appreciation for the Arab Socialist Ba'th Party's struggle to liberate the occupied Arab areas, to regain the national rights of the Palestinian Arab people, and to foil Zionist and imperialist designs in the area.

At the end of the meeting Comrade al-Ahmar affirmed the constant and principled stand of the party and state toward the revolution of the Eritrean people and all peoples struggling for their freedom and independence.

MEMBERS FOR LIBYAN FEDERATION ASSEMBLY ELECTED

JN301700Y Damascus Domestic Service in Arabic 1615 GMT 30 Dec 77 JN

[Excerpts] The People's Assembly, meeting this morning under Muhammad 'Ali al-Halabi and in the presence of a number of cabinet ministers, has concluded its session. The assembly resumed its discussion of a number of reports submitted by its committees and a number of draft resolutions was passed. The assembly then dealt with the last item on its agenda: the election of 20 members for the assembly of the federation with the Libyan Jamahiriyah.

At the end of the session, Al-Halabi thanked the members for their efforts during the session and their achievements. He expressed hope that the Arab nation will achieve all its aspirations and national goals during the new year.

Al-Halabi announced that the assembly will be convened for an extraordinary session which will take place later to discuss the budget.

After the assembly secretary read the summary of the work of the concluding session, the speaker of the assembly announced the conclusion of the assembly's first ordinary session.

AL-ASAD RECEIVES CABLE FROM PALESTINIANS IN LEBANON

JN021642Y Damascus Domestic Service in Arabic 1615 GMT 2 Jan 78 JN

[Text] Damascus--President Hafiz al-Asad has received a cable of appreciation and support from the masses of the Palestinian Arab people in northern Lebanon. The cable reads as follows:

His Excellency President Hafiz al-Asad: We the masses of the Palestinian people in northern Lebanon support your daring stand resisting As-Sadat's traitorous plan and its effects on the Palestinian revolution and the pan-Arab cause. We request that you take practical measures to isolate traitor As-Sadat and thwart the consequences of his capitulationist policy by setting up the front of Arab steadfastness to check the U.S.-Israeli-As-Sadat plot. Our Palestinian people who rally to the PLO--the sole legitimate representative of our Palestinian people--are determined to regain their national rights and to set up their independent national state.

## LIBYA

### AL-QADHDHAFI LAUDS HUSAYN REJECTIONIST STANCE

LD051442Y Tripoli Domestic Service in Arabic 1230 GMT 5 Jan 78 LD

[Text] Following the Jordanian Government's statement denouncing the proposals of the terrorist Begin and following the refusal of King Husayn, the king of Jordan, to participate in the conference of direct negotiations with the Zionist enemy in the Egyptian capital after his meeting with President Carter in Teheran, the brother colonel sent a cable of appreciation to King Husayn in which he expressed the Jamahiriyah's support for this stand, which rejects that Jordan be a part of a plot against the Arab nation, its religion and nationalism.

### SAHARAN PRIME MINISTER GIVES PRESS CONFERENCE

LD051408Y Algiers Domestic Service in Arabic 1200 GMT 5 Jan 78 LD

[Text] Muhammad al-Amin, prime minister of the Saharan Democratic Arab Republic, held a press conference in Tripoli yesterday. He stressed that the POLISARIO's decision to release the French prisoners was to maintain the front's relations with the French people and their democratic forces. But the response of the French Government to that initiative was a wide-scale military intervention against the Saharan people.

Referring to the statement made by the French defense minister, the Saharan prime minister said that those statements that the French forces would protect French subjects all over the world show that France would interfere militarily in the internal affairs of other countries.

Muhammad al-Amin added: Our military operations are a part of the struggle being waged by the Saharan people for freedom and liberation. The people will continue the struggle regardless of who the enemy is and of what extent his aggression takes. Concluding, he said the POLISARIO supports the Jamahiryah's initiative to convene an African summit to study the situation in the Western Sahara.

### JALLUD RECEIVES VISITING POLISARIO LEADERS

LD051522Y Tripoli Domestic Service in Arabic 1230 GMT 5 Jan 78 LD

[Text] Staff Maj 'Abd as-Salam Ahmad Jallud this morning received at the People's Palace Muhammad 'Abd al-Aziz, secretary general of the POLISARIO Front, who is now on a visit to the Jamahiriyah. The meeting was also attended by Muhammad Lamine and Muhammad Ould Ziou [members of the Saharan Government] and by the head of the Arab Liaison Office of the General People's Congress.

### LIBYA WITHDRAWS ALL ITS STUDENTS FROM EGYPT

LD051448Y Tripoli Domestic Service in Arabic 1230 GMT 5 Jan 78 LD

[Text] JANA has learned that the Socialist People's Libyan Arab Jamahiriyah had withdrawn all its students studying in Egyptian universities and institutions.

MOROCCO

NOUIRA INTERVIEWED ON RESHUFFLE, ECONOMIC PROBLEMS

LD030903Y Paris LE MONDE in French 30 Dec 77 pp 1, 4 LD

[Daniel Junqua undated interview with Prime Minister Hedi Nouira]

[Excerpts] Tunis--The recent crisis at government level, which resulted in the departure or removal of several ministers and their replacement by "technocrats" mainly from senior administration, is not due to a conflict of views or the existence of fundamental differences on opinions which could not be reconciled. According to Prime Minister Hedi Nouira, who agreed to meet with us, it is simply the result of "politician's politics" and of the ambitions of men who "want to get into a favorable position for some eventuality or other, which is unacceptable, and who do not mind what means they use to do so."

"Mr Belkhodja probably had some influence over some of his colleagues, who thought they ought to support him," the head of government told us, his strained features bearing witness to the extremely difficult few days he had just gone through, "but that has nothing to do with a political split. Council of Ministers decisions have always been taken by general consensus both on questions of everyday administration and points of doctrine."

After pointing out that several of his "dismissed colleagues" were present at the new government's opening ceremony, Mr Nouira continued: "Unfortunately we do not have opinion polls in Tunisia. If this method were used to find out who is liberal and who is not, there would be a few surprises." And the prime minister recalled that "for almost 3 months now" he had been considering a reshuffle involving the departure of several ministers who had just left the government.

[Question] The General Union of Tunisian Workers [UGTT] has just announced an indefinite strike in the phosphate mines as well as other stoppages. What attitude will the government take in view of this situation?

[Answer] It is regrettable that the UGTT is talking of an "indefinite" strike since this means they have chosen confrontation. I would like to hope that things will develop in a way that is less intense, because the dialog with the unions is continuing. As regards the phosphate mines, I must point out that some of the demands made are unreasonable in relation to the company's means. They seem even more unreasonable when you consider that salaries in this sector have not remained fixed. They amounted to 11 million dinars in 1971. With the same manpower, they now amount to 18 million dinars. The cost of living has not increased nearly so much. This year, for example, it will rise about 6.5 percent.

[Question] How have the present demands come about, since a "social pact" was concluded with the UGTT at the beginning of the year for the entire duration of the fifth plan, which has just started?

[Answer] I recently expressed my opinion on this question as clearly as possible in speaking to the National Assembly. I read the editorials from the trade union newspaper ASH-SHA'B to the deputies. Last January we decided on a 33-percent increase in the minimum wage. This increase was intended partly to offset price rises and partly to get ahead of the foreseeable rise in living costs. We agreed with the UGTT on a meeting in April 1978 to take stock of the situation and review minimum wages in relation to inflation, production and productivity.

This was laid down in black and white. The social pact had two aims: to reassure investors about the evolution of their incomes in the immediate future and to give the workers security with regard to the evolution of their incomes. The leaders of the ICFTU quoted this agreement as an example, and Mr Achour explained the merits of the text to his rank and file and preached in favor of increased productivity. He was even kind enough to bestow some praise on me and to pay tribute to the personal contribution which, he said, I had made in the affair.

[Question] So how do you explain what appears to be an about face?

[Answer] I cannot explain it. I can only make a few observations. First of all I notice that the offensive is directed solely against the public sector. Yet the government is not a stockholder. It does not participate in any way. National companies are firms belonging to the whole Tunisian people, so why this continual harassment?

Second, I note that what we have tried to construct, in agreement with the UGTT, is a model of development from which a certain choice of society is derived. Our options have brought conclusive benefits despite the economic and financial upheavals of all kinds which have taken place throughout the world in recent years.

So what is the explanation for the social movements which we can observe at present? I can only theorize. Sometimes grassroots unions or federations adopt radical positions and confront the central organization with a fait accompli. According to the well-known saying, are the leaders not then obliged to follow their troops? I also noticed that, at the recent UGTT congress in March, some 600 trade union executives and activists signed a petition challenging the social pact and Mr Achour's policy.

So here we have a number of explanations which are not all that absurd.

[Question] Can the Tunisian economy at present meet the trade union demands?

[Answer] With great difficulty. And if our economy is brought to its knees, the people in the lower income brackets will be the first to suffer.

[Question] Have the difficulties caused in recent months by the suspension of textile exports to the EEC been overcome?

[Answer] Yes, thanks to the dialog which has been begun between Tunisia and the EEC and between Tunisia and France, which has helped us to find a satisfactory solution. In trade terms, one can say that we have reached an honorable compromise.

[Question] Are you optimistic about the implementation of the fifth plan in 1978?

[Answer] Yes. If we have no mishaps along the way such as the ones we referred to earlier and if we manage to avoid excessive demands and a drop in productivity, I really see no reason why we should reach an impasse. We should stay within the framework of our forecasts. Furthermore, Tunisia enjoys reserves of confidence on the part of its partners, which will permit it to achieve its objectives.

Mr Nouira makes a slight move to get up to bring the conversation to a close but changes his mind and adds somewhat emotionally:

"People should stop using pigeonholes, labels and readymade categories. However, I want to tell you that if anyone has helped to liberalize public life in Tunisia, it is I, since other people did not want to grant anything....But I am not in the habit of resorting to barnstorming political methods...."

PRIME MINISTER'S ADVISER SHEMU'EL KATZ RESIGNS POST

TA051828Y Jerusalem Domestic Service in Hebrew 1705 GMT 5 Jan 78 TA

[From the Evening Newsreel]

[Text] We just heard that the prime minister's adviser on publicity affairs, Shemu'el Katz, who was considered one of Prime Minister Begin's confidants, resigned his post this afternoon. Our political correspondent Shalom Qital is on the telephone and will give us details about the resignation:

[Qital] This afternoon Shemu'el Katz submitted a letter of resignation to the prime minister's office. The prime minister was not in the office at the time, but the letter of resignation was submitted there. The prime minister has not yet reacted to it.

Apparently there are three reasons for the resignation. First, Shemu'el Katz disagrees with the cabinet's political line and with the peace plan which the prime minister, Menahem Begin, recently submitted. Second, he does not think he was allowed to do his job. Immediately after beginning his job there was a dispute when Foreign Minister Moshe Dayan wanted to keep publicity matters, which are at the very heart of the Foreign Ministry--that is how he then put it, "the very heart of the Foreign Ministry"--in the Foreign Ministry. Shemu'el Katz, who had been appointed adviser on publicity in the prime minister's office, found his job devoid of content and attempts to settle these problems failed. And so the fact remained, which Katz complained of, that he was not allowed to do his job. Now when this reason is added to the first, that is, the cabinet's political line, it led Katz to resign.

There is also the third reason, which is Prime Minister Menahem Begin's support on Sunday of Hayyim Landau as the Herut movement's candidate. Shemu'el Katz wants to run as a candidate himself against Hayyim Landau.

In addition to these facts there is another. Recently Shemu'el Katz was offered the post of Israel's ambassador to the United Nations, replacing Hayyim Herzog, who will complete his job in the coming months. Shemu'el Katz, who was involved in a dispute on the issues we have already mentioned, refused to accept the post and submitted the letter of resignation.

NRP, DMC INCREASE PRESSURE TO SIT IN ON PEACE TALKS

TA060710Y Jerusalem POST in English 6 Jan 78 p 3 TA

[By POST Reporter Asher Wallfish]

[Excerpts] The Likud's two coalition partners, the National Religious Party [NRP] and the Democratic Movement for Change [DMC], have intensified their pressure for representation in the peace talks with Egypt.

Each in its own way, the NRP and the DMC are acting to get one or more of their cabinet ministers to sit in the two working committees which President Anwar As-Sadat and Premier Menahem Begin decided to set up during the course of their Ismailia summit.

If the pressure exerted by the NRP and the DMC to get their men into the committees does not bear fruit, they will probably demand that no ministers other than Dayan and Weizman be in the committees--specifically Ari'el Sharon, the agriculture minister.

In the Knesset restaurant Wednesday, a self-confident and smiling Sharon told the POST, in extremely amicable tones, that he could not comment on reports that he might serve as Dayan's deputy. "Mr Begin knows quite well what are the capacities of his ministers, and you can leave all the decisions about the composition of the negotiating committees to him," Sharon said.

(The reports about Sharon being a possible candidate for the political committee have been traced in part to Foreign Ministry sources and partly to Sharon himself.)

Meanwhile the National Religious Party Knesset faction met Wednesday and passed a unanimous resolution that "the NRP must be represented in all the peace negotiation moves." The NRP decided that this resolution be conveyed to Premier Menahem Begin at the earlist opportunity, well before the Sunday cabinet session, when the composition of the delegations--political and military--is likely to be decided. NRP Chairman Yehuda Ben-Meir, chatting with correspondents after the caucus was over, left them with the impression that the NRP ministers would not vote on Sunday in favor of Sharon serving on a working committee. If another mooted candidate, Me'ir 'Amit, the DMC minister of transport and communications, was also proposed in the cabinet, they would only agree if an NRP minister were coopted as well.

The Democratic Movement for Change played its cards a bit closer to its chest, and took no formal decisions about participation. Nevertheless, the POST was reliably informed that Deputy Premier Yiga'el Yadin would be seeing Begin before the next cabinet meeting on the representation issue. Yadin's message to Begin, the POST was told, would be that the four DMC ministers will not vote on Sunday for delegations that do not give them due representation.

The DMC is anxious to ensure that no widespread settlement campaign is launched in Judaea and Samaria at present.

Although Ari'el Sharon tried only this week to get high-pressure settlement plans discussed in a top-level forum, Premier Menahem Begin nipped Sharon's attempt in the bud very fast, the POST was reliably informed. Later, the failure of Sharon's bid was described to newsmen in Sharon's confidence as having resulted from a row raised by the Liberals in the Likud and by the DMC--who undeniably oppose settlement initiatives now--and not as the result of the premier's refusal to grant agenda time.

MAFDAL Demand Rejected

TA051741Y Tel Aviv 'AL HAMISHMAR in Hebrew 5 Jan 78 p 1 TA

[By Dalya Shehori]

[Text] Prime Minister Menahem Begin will not grant the MAFDAL's demand to be given representation in the Israeli delegation at the political committee. A senior government source said last night to our correspondent, in reply to a question, that the prime minister will not permit politicization of Israel's delegations to the political and military committees and will take care to see that the composition of the delegations is functional.

The source added that the MAFDAL demand for representation on the political committee will be put forward for discussion in the cabinet, but that the prime minister's approach in principle is functional. The source said further that the idea of the participation of Agriculture Minister Ari'el Sharon in the political committee is linked with the fact that settlement and its future--an issue now being dealt with by Sharon--is a clause on the agenda of the political committee. Because of this, the foreign minister, after having spoken with the prime minister about this, invited Sharon to join the committee.

DELEGATION MEMBERS TO CAIRO MILITARY TALKS REPORTED

TA060824Y Jerusalem Domestic Service in Hebrew 0800 GMT 6 Jan 78 TA

[Text] It is said in the Defense Ministry that the joint Egyptian-Israeli military committee will convene in Cairo in 10 days. The defense minister, the chief of staff and Maj Gen Eytan, Shafir, Gazit and Tamir will be members of the Israeli delegation.

BEGIN AGAIN REJECTS SELF-DETERMINATION, PALESTINIAN STATE

TA052107T Jerusalem Domestic Service in Hebrew 2100 GMT 5 Jan 78 TA

[Text] The prime minister has again said that the world must know any agreement we may sign will not include the terms "self-determination" or "Palestinian state." Mr Begin pointed out that self-determination meant the establishment of a Palestinian state, and we would not permit an Arab state to arise, the 22d in number, which would endanger Israel.

The prime minister was speaking this evening at the annual banquet of the Center for Spiritual Help, Women's Aid, in Jerusalem.

On the issue of the autonomy proposal, the prime minister said that for the first time the Arabs of Eretz Yisra'el would gain self-rule, something they had not gained under the Turkish or British regimes.

STATUS OF SINAI EARLY WARNING STATIONS SPECULATED

TV Cites 'Senior Elements'

TA052014Y Jerusalem Domestic Television Service in Hebrew 1900 GMT 5 Jan 78 TA

[Text] Israel will not ask to have the early warning stations in Sinai retained after the IDF withdrawal to the 1967 borders. This was made known to our military correspondent 'Amirah Nir. Senior Israeli elements reported to our correspondent that, in return for the maintenance of early warning stations in Sinai, an Egyptian demand to maintain similar stations in our territory was likely, and this could not be permitted by Israel. However, Israel does want to keep in its hands a small number of such stations in the heart of Sinai, only for the interim period of 3 to 5 years until the final withdrawal. Israel's position on this matter was passed to Egypt, apparently in the context of the official proposal for a settlement in Sinai.

Today the names of the three military airfields in Sinai which Israel wants to continue to maintain after the withdrawal were, for the first time, authorized for publication in Israel. Our military correspondent reports that the reference is to (Sde 'Eytam), which is in the Rafah salient, (Sde Ezion) in the Valley of the Moon near Elat and (Sde Ofira) in Sharm ash-Shaykh. Israel wants two of the fields to remain in its hands as civilian airfields under UN supervision and the third as a military field.

Defense Personnel Denial

TA061105Y Tel Aviv YEDI'OT AHARONOT in Hebrew 6 Jan 78 p 1 TA

[Text] This morning senior defense personnel denied completely the report published in one of the papers that Israel is politically prepared to give up the early warning installations in Sinai after the military withdrawal and with the signing of a peace treaty.

It is true that various and numerous plans have recently been discussed about the possibility of security arrangements in Sinai, but at this stage there is no plan to give up the early warning installations in the peninsula.

SECRET PEACE AGREEMENT WITH EGYPT DENIED

TA052008Y Jerusalem Domestic Television Service in Hebrew 1900 GMT 5 Jan 78 TA

[Text] Official sources in Jerusalem told our political correspondent this evening that there is no substance in the report that there is already a secret peace agreement between Israel and Egypt. This report was published in the Boston GLOBE. The sources reported to our correspondent that the negotiations between the two countries are still at their beginning.

CABINET APPROVES LAND IMPROVEMENT SCHEME IN RAFAH AREA

TA061117Y Jerusalem Domestic Service in Hebrew 1100 GMT 6 Jan 78 TA

[Text] The government has endorsed the preparation of land for agricultural cultivation in the Rafah approaches. This is according to the Israeli peace plan which states that the Israeli settlements between Elat and Sharm ash-Shaykh and in the Rafah approaches will remain where and as they are. This was officially stated in Jerusalem. According to the announcement, the preparation of the land will strengthen the settlements in the Rafah approaches.

SHARON AUTHORIZES NEW DEVELOPMENT PLANS IN SINAI

TA052017Y Jerusalem Domestic Television Service in Hebrew 1900 GMT 5 Jan 78 TA

[Text] In spite of reports that, in the context of a peace agreement, the Sinai Peninsula will be returned to Egyptian sovereignty, the various institutions are continuing to prepare development plans for the various areas. At a session held today in the office of the chairman of the Ministerial Committee for Settlement Affairs, Minister Ari'el Sharon, outline plans were authorized for the Santa Katarina Monastery area and Nevi'ot with a comprehensive investment of 382 million Israeli pounds.

Our correspondent on settlement affairs, Yigal Goren, reports that the establishment of another moshav and an urban center were authorized for the Nevi'ot area. It was also decided to establish divers' villages in the Ra's Muhammad area. The plan includes four hotels at Na'ama Beach, north of 'Ofira.

POST: WORK STARTS ON NEW SETTLEMENT NEAR AL-'ARISH

TA060810Y Jerusalem POST in English 6 Jan 78 p 2 TA

[By POST reporter Zvi Arenstein]

[Text] Moshav Haruvit--Two Jewish National Fund [JNF] bulldozers began groundwork just west of here yesterday for what apparently will be a new settlement provisionally named Haruvit B. The location is about 10 kilometers east of Al-'Arish, in a region whose future has been acknowledged in recent weeks as being politically uncertain.

JNF foremen at the site would not answer questions about the operation and claimed not to have information about what will be built there.

David Perez said that he had been told the site was intended for agricultural use, but his superior, who would not give his name, said that a "meteorological station" would be built to serve the local moshavim. He could not explain why the two local moshavim would require such a large weather station.

The workers told the POST that this is the only site currently being developed on the coast between Yamit and Al-'Arish, but that work was continuing on previously started projects at Peri'el near Moshav Sadot, and at Katif in the Gaza Strip near Khan Yunis. This site aroused much attention yesterday following a news story in the Jerusalem POST as film crews from CBS, NBC and German television came to film the bulldozers at work.

From workers and noshav members in the area, it was determined that the bulldozers have been sitting here for about 2 weeks. One settler said that the order to bring them here came from Agriculture Minister Arik Sharon, was later rescinded by one of his superiors, then apparently renewed yesterday.

At Moshav Neot Sinai, the only information known to members about new settlements in the area was that the Merut central executive had approved a request made just last night to the government asking them to build three new settlements. The request, they pointed out, could not possibly be connected with today's developments.

At Moshav Haruvit, the moshav treasurer guessed that the settlement is part of the planned southern project, which has been speeded up because of political considerations. The southern project includes settlements between Yamit and Beersheba.

In addition, it was learned yesterday that work began on Wednesday to prepare a site for oil-drilling about 12 km west of Moshav Diqla. The site, which is currently only reached by a dirt road, is being prepared by a tractor and two large trucks working under contract to the Lapidot company. It is about 5 km south of the main road.

LABOR PARTY CONCERNED ABOUT GOVERNMENT PLAN

TA051542Y Jerusalem Domestic Service in Hebrew 1200 GMT 5 Jan 78 TM

[Text] The Labor Party is afraid that the government's autonomy plan for Judaea and Samaria, which involves removing Jordan from control in the region, may lead to the removal of Israel from the territories without guaranteeing security arrangements. The planning team of the Labor Party also says that the government's plans create the illusion of Israeli sovereignty and contain dangers for Israel's security.

EHRLICH FORESEES HARD BARGAINING IN TALKS WITH EGYPT

TA061140Y Jerusalem Domestic Service in Hebrew 1100 GMT 6 Jan 78 TM.

[Text] Minister Simha Ehrlich says that the government supports the fleshing-out of the settlements in the Rafah approaches and that whoever takes a close look at the Israeli peace plan will understand that the settlements will remain under the UN flag for a long time, that Israeli administration and jurisdiction will apply there, and that the IDF will defend them. Minister Ehrlich said this in a meeting of correspondents for party affairs in Tel Aviv.

Reacting to criticism leveled by the opposition, he remarked that the Israeli plan is far-reaching and perfect since it was important first to receive the U.S. President's agreement because then the Egyptian president would not reject it outright. Nevertheless, Minister Ehrlich believes that a hard argument is likely in the discussions of the joint Israeli-Egyptian committees, and sharp differences of opinion are possible. Therefore, he advises the public not to be overimpressed by the swings of the pendulum in the course of the negotiations.

MA'ARIV SCORES ISRAELI CONCESSIONS IN SINAI

TA052042Y Tel Aviv MA'ARIV in Hebrew 4 Jan 78 p 5 TA

[Shemu'el Segev commentary: "Concessions Without Returns"]

[Text] Ever since Prime Minister Menahem Begin became his own foreign minister and he began to personally conduct all the moves connected with the settlement with Egypt, there has been an ever-increasing number of the "interpreters of Dayan's affairs," who occupy themselves daily in evaluating just how much this or that move strengthens or weakens the status of the foreign minister of the cabinet of Israel. The proposal to incorporate Agriculture Minister Ari'el Sharon into the team which beginning on 15 January will conduct the negotiations with Egypt in Jerusalem will necessarily increase the strength of this "interpreters" camp and will sharpen the argument over the question of how much Moshe Dayan still enjoys Menahem Begin's confidence.

However, the more one digs into this affair, the more the impression is strengthened that Arik Sharon's incorporation into the negotiating team, more than being intended to affect Dayan's status, is intended, in the final analysis, to tie the hands of the minister of agriculture himself. More than any other leader of Israel, Moshe Dayan and Arik Sharon have been actively involved in the struggle for the Rafah salient. Back when he was still commander of the IDF forces in the Gaza Strip, Arik Sharon gave the order to expel the bedouin from the Rafah salient, in order to "clear the ground" for Jewish settlement. In that expulsion Arik Sharon then enjoyed the full backing of Moshe Dayan, who at that time served as defense minister in the Golda Meir cabinet. As the holder of that position, Moshe Dayan, a few weeks before the Yom Kippur war, conducted a war to the end against the late Pinhas Sapir and the other "doves" in the cabinet and threatened not to appear on the Alinemen's list for the eighth Knesset if the sums needed for the development of Yamit and the broadening of Jewis settlement in the Rafah salient were not allocated.

Therefore, what could be more cynical than to now give Moshe Dayan and Arik Sharon the unpleasant task of going and telling the Rafah salient settlers that what they told them in the past was, in fact, not true and that actually it is the evacuation of the IDF forces from the area which will serve the security of the State of Israel and not the severance of the strip from the main part of Sinai by means of a heavily populated network of Jewish settlements in that sector? And if Moshe Dayan and Arik Sharon are now coming up against the serious problem of personal political credibility, it is their own fault....

Maybe this problem of personal credibility would not have disturbed us particularly had it not had a direct effect on the negotiations with Egypt. When the prime minister submitted his peace plans to President as-Sadat in Ismailia, he was apparently acting on the assumption that an Israeli withdrawal from Sinai--including the Rafah salient and the Shelomo Bay--would lead to Egyptian flexibility in everything involving the future of Judaea and Samaria. However, in fact the opposite occurred: President as-Sadat stuck the bank note of full withdrawal from Sinai into his pocket and thus also created a precedent with regard to the future of the Golan Heights, and, parallel to his, increased the pressure on Israel to withdraw from the West Bank as well.

After President Carter's talks yesterday in Saudi Arabia and in view of the U.S. President's talks today with President as-Sadat in Aswan, Israel is faced with a fairly broad front demanding "more flexibility" from it on the West Bank. As against the Israeli plan to grant autonomy to the Palestinians in Judaea and Samria, the uncompromising Egyptian position remains to call for the founding of an independent Palestinian state in the West Bank. If, in the end, there is a softening of the Egyptian position, then this softening will be in the direction of the U.S. plan which supports the granting of a "homeland" to the Palestinians in the West Bank and the linking of this "homeland" with Jordan.

It may be that this plan was unavoidable from the start. It may also be that from the start the level of Israeli hopes did not accord with political and international reality. But even in order to arrive at this territorial result, there was a need for slow and protracted negotiations in which Israel would try to obtain the best conditions from Egypt and the other Arab countries. In the conditions now created, President as-Sadat has regrettably been shown to be a leader who knows the job of negotiations better than Israel's leaders. It is just this speedy and comprehensive concession over Sinai, without any Egyptian political recompense, which is arousing the need to make a comparison between this case and the negotiations for an interim settlement with Egypt in September 1975. In the context of that settlement, Israel withdrew from the Mitla and Jidi passes and from the oilwells in Abu Rudays, in return for large-scale U.S. military and economic aid and the establishment of U.S. early-warning stations in Sinai. The writer of these lines was then among the severe critics of Yizhaq Rabin for having withdrawn from the passes without any parallel Egyptian recompense. But in view of the latest Israeli move, the Rabin-Peres-Allon team is shown to be one which was, in quality, experience and intrasigence, several degrees above the present team, headed by Menahem Begin. This is because, in spite of that withdrawal, Israel continued to hold on to 95 percent of the Siani Peninsula territory. It received 3 years of relaxation which ended this October and held in its hands good bargaining cards in relation to the possibility of territorial compromise in Judaea and Samaria.

The latest Israeli move, in contrast, gives Egypt the whole of Sinai without any quid pro quo. Had there been at least a prior understanding with Egypt with regard to the West Bank, that would have been something. But to hand over everything to Egypt without bargaining, to create a precedent of "full withdrawal" likely also to be realized tomorrow in the Golan Heights, and to face increasing pressure for a withdrawal from the West Bank and the Gaza Strip as well--this is a concession which has no political logic. Under these conditions, is it any wonder that the feeling that Israel's political situation after "Ismailia" is becoming worse than before is growing stronger?

PRESS COMMENTS ON CARTER-AS-SADAT ASWAN MEETING

TA051623Y Jerusalem Domestic Service in Hebrew 0505 GMT 5 Jan 78 TA

[Review of morning press editorials]

[Excerpt] Most papers react to the announcements by President Carter and President as-Sadat after their meeting in Aswan.

HA'AREZ believes that after the U.S. President limited himself to the demand that the Palestinians participate in determining their own future, As-Sadat's remarks about the identity of views of the two presidents gain additional weight. He who declares that his views are identical with those of the U.S. President without making a reservation admits that the Palestinian Arabs will not be allowed to determine their political fate on their own, that there are additional elements involved in the matter. If As-Sadat indeed identifies with the U.S. President's views it is possible to assume that in speaking about their participation, he intended to restrict the role King Husayn will play in solving the Palestinian problem.

DAVAR believes that there is room to expect U.S. pressure regarding changes in the Israeli plan about the independent administration, changes that would reinforce elements of self-determination and restrict the retention of IDF forces. The dilemma which the government will face will be to reinforce Jordan's presence or to take the risk that the independent administration will be used to strengthen the PLO presence. It is possible that in view of such a choice the government will prefer to try to persuade Egypt to at least reach a nonbelligerency agreement. This is not an easy task in light of the pan-Arab commitment of Egypt and in light of the Western powers interest in as comprehensive a settlement as possible. However, the talk of a possible separate agreement recently heard by senior ministers here may only make attaining such a difficult goal even more difficult.

HAZOFE says that the impression gained from the meeting in Aswan is that there has been no erosion in Carter's position compared with his previous statement. The U.S. President clearly avoided mentioning a Palestinian state and talked about solving the Palestinian problem. It is possible to view the fact that As-Sadat also did not speak of a Palestinian state as an additional positive sign. However, Carter's other remarks were more clearly in the spirit of the host. The paper adds that President Carter's call on the parties to the negotiations to exercise flexibility obliges us to be very careful. Israel has gone too far in its flexibility.

'AL HAMISHMAR writes that the United States succeeded in emphasizing its neutral position in the direct negotiations that will be conducted between the parties. Nevertheless, with the agreement of both parties, it guaranteed an active role for itself and it will not abandon its involvement in the procedures leading to establishing peace in the region. The road has been paved for a good start of the negotiations. It is to be hoped that this beginning will also insure a successful continuation.

HAMODI'A says there is room for hope that the activity of the two committees, the military and the political, will begin on a positive basis of basic early understanding between Israel and Egypt. The activity of the two committees will also start on the assumption that the U.S. participation in the operation of the political committee can only help to bring the positions of the parties closer to a peace agreement.

Afternoon Editorials

TA051629Y Jerusalem Domestic Service in Hebrew 0900 GMT 5 Jan 78 TA

[Review of afternoon press editorials

[Text] Both papers deal with the outcome of the talk between Carter and As-Sadat in Aswan. MA'ARIV says that As-Sadat is happy, Carter is satisfied and Begin is content. This must mean that in the wisdom-creating air of Aswan a wonder formula was found on the Palestinian issue. However, MA'ARIV has no doubt that the Egyptian and U.S. presidents did not agree on the precise details of the autonomy plan of Menahem Begin, but that As-Sadat expects that the United States to pressure Israel into making its positions more flexible in the political committee discussions in Jerusalem.

On the same matter YEDI'OT AHARONOT believes that the prime minister already gave As-Sadat everything in the first stage of the talks and has nothing left to add since any further withdrawal will endanger Begin's status in Israel. The paper believes that the parties may give up the effort to reach a full solution and exchange it for something more modest such as an end to the state of war in return for our yielding part of the Sinai and postponing solving the Palestinian problem to the future.

HA'AREZ: EGYPTIANS CONTINUE TO VIOLATE INTERIM AGREEMENT

TA051721Y Tel Aviv HA'AREZ in Hebrew 5 Jan 78 p 1 TA

[By HA'AREZ military correspondent]

[Text] The Egyptians are continuing to violate the interim agreement in Sinai. This emerges from the two most recent investigations by UN observers in the peninsula, one of them the day before yesterday.

From the investigation 2 weeks ago by UN observers it emerges that the Egyptians are maintaining three battalions more than permitted in Sinai and several hundred more soldiers in violation of the agreement. This announcement was passed on to both Israel and Egypt. It was evaluated that before the additional investigation 2 weeks later the Egyptians, in the context of the improvement in the atmosphere in preparation for the talks in Cairo and Jerusalem, would remove the surplus forces in Sinai. Surprisingly, the changes were purely marginal.

The experimental investigation into the number of soldiers did indeed show that they had been reduced and, according to the estimate of the United Nations, this past Monday there were about 7,000 soldiers as against the 8,000 permitted by the agreement. However, the UN investigation found that the Egyptians were continuing to maintain more battalion commands than permitted in the agreement. The latest investigation revealed that the Egyptians are maintaining two battalions more than permitted in the agreement.

An announcement about this was passed on as usual to both sides and also to the United States. It has not yet been decided in Israel how to react to these continuing violations.

JUDAEA, SAMARIA PERSONALITIES REJECT HUSAYN REPRESENTATION

TA051754Y Jerusalem Domestic Service in Hebrew 1600 GMT 5 Jan 78 TA

[Text] Personalities in Judaea and Samaria today rejected President as-Sadat's suggestion that King Husayn represent them. The mayor of Tulkarm said that neither King Husayn nor people from the territories could represent the Palestinians. The mayor of Qalqiliyah, Haj Amin an-Nasr, said that As-Sadat could not cancel out the resolutions of the Rabat conference, according to which only the PLO represents the Palestinians.

Burhan al-Ja'abari from Hebron spoke in a different tone. He said that anything to which As-Sadat agreed would be accepted by the citizens of Judaea and Samaria. However, he pointed out, he was demanding the establishment of a Palestinian state and afterward that government would decide itself, on its own, whether to go with Husayn or with Egypt. He commented to our correspondent that before As-Sadat's visit he had supported the idea of self-administration but he had now changed his mind since As-Sadat's initiative was trying to lead to basic solutions and self-administration was not a basic solution to the question of the territories. Nevertheless, he would support this program if As-Sadat accepted it.

FOREIGN MINISTER DAYAN TO VISIT ROME NEXT WEEK

TA051716Y Jerusalem Domestic Service in Hebrew 1700 GMT 5 Jan 78 TA

[Text] An official announcement was issued this evening in Jerusalem and Rome about a visit by Foreign Minister Moshe Dayan to Italy next week. The visit is at the invitation of the Italian foreign minister, Arnaldo Forlani. Mr Dayan will be received by the president of Italy, Giovanni Leone, and by the prime minister, Andreotti. During his visit Mr Dayan will visit the Vatican.

EDUCATION MINISTER HAMMER ON PEACE PLANS, SETTLEMENTS

TA042115Y Jerusalem Domestic Television Service in Hebrew 1940 GMT 4 Jan 78 TA

[Moqed program; interview with Education Minister Zevulun Hammer by Elimelekh Ram, Yigal Goren and Ron Ben-Ishay--live in studio]

[Excerpts] [Ben-Ishay] Moqed's guest this evening is the minister of education and culture, Zevulun Hammer, and the topic is the cabinet's peace plans and the political negotiations. What will the status of the settlements in Judaea and Samaria and the Gaza Strip be in the context of the autonomy plan, if it is attained?

[Answer] As was also mentioned in the Knesset, of course as was decided in the cabinet and as was reported to the Americans and the Egyptians, they will be able to establish additional settlements, not to mention that the existing settlements will be allowed to remain where they are and even allowed to grow.

[Question] Mr Hammer, the citizens of the Rafah salient claim that the actual meaning of the Sinai settlement is the elimination of the settlements in this area, the Israeli settlements. What is your position?

[Answer] The topic of the settlements in the Rafah salient: It is true that, at this moment, it does not resemble the situation of the settlements in Judaea and Samaria, because the reference is to a certain period of time--the reference is, was to the possibility that the sovereignty would be Egyptian. I believe that there is no intention that these settlements should be evacuated or should not, in the end, be under real Jewish rule.

[Question] In principle, would you accept Egyptian sovereignty and Israeli settlements?

[Answer] In principle, I do not want that. But in every issue, the price of peace...We faced several difficult alternatives and we had to decide between them and it turned out that, at that moment, the reference was, in some sort of way, to this possibility as well, and I know that there will certainly be, maybe, second thoughts as to other possibility. But, in fact, I am saying at this moment that we have to see to it that the people there, from the aspect of the attitude of the State of Israel, the resources, the planning, the communication--that they feel that they are part of us, as is really their due.

[Question] Mr Minister, you speak about the momentum of settlement in the Rafah salient. The autonomy plan is based, among other things, on broad settlement in Judaea and Samaria. Why is the cabinet authorizing this program at this time?

[Answer] I really think as you do, that the meaning of autonomy is such that, if we do not want it to develop into something we do not mean it to develop into, there must be an effort on the spot--a national effort on the spot that is not only through political explanations at the grassroots, but through the national effort of developing the impetus of settlement in Judaea and Samaria.

[Question] If this is so, what are they waiting for? After all, this cabinet spoke about the impetus of settlement more than 6 months ago.

[Answer] For the moment the reference is to a meeting, within a week or two, with the Egyptians for talks. I cannot for the moment go into details of secret debates held in the cabinet, which discussed, as I read in the papers, this problem. I only want to say that there is very serious, very real, very sincere thinking in the cabinet in seeing our commitments to the settlements in Judaea and Samaria as real ones.

[Question] [Words indistinct] before the settlements or behind the settlements?

[Answer] There will be real defense of the settlements. They will not need to guard themselves or anything like that--real defense of the settlements.

[Question] And what about exchanges of territories?

[Answer] To me it does not appear reasonable to touch the 1948 borders. We have borders which the whole world recognizes. We must not regard them as less than sacred borders.

[Question] Mr Hammer, do you think that a solution similar to the one in Sinai could also be reached in the Golan Heights?

[Answer] First of all, it is clear that there is the great difference between Sinai and the Golan Heights, the strategic distance between us and the Syrians in the north and the distance between us and the Egyptians in the south, and this determines a great deal. I do not believe that it is possible to compare them.

[Question] Mr Hammer, do you see yourself as a representative of Gush Emunim in this cabinet?

[Answer] I see myself as the representative of 161,000 people who voted for the MAFDAL, among them very many from Gush Emunim who are my friends. I was one of the founders of Gush Emunim. I certainly see myself as close to them, and they see themselves as close to me, very much so.

[Question] At any rate, there is a complaint in Gush Emunim that you have recently moved away from them a little. Is that true?

[Answer] I do not know what that means, "there is a complaint in Gush Emunim." Gush Emunim has various members, thousands of members. Many of them supported me. They support me; many of them come to me to ask me my political opinion. I act with them, they work with me, I do not have to agree with each and every one on what he says at every stage. There have been previous stages when I did not agree with some of them.

[Question] Mr Hammer, do you feel that you have been a full party to the formulation of the government's peace plan?

[Answer] I would say the following: I was very desirous of the establishment of this government and contributed much to its establishment in the various stages. It would seem boastful to say that had it not been for me it would not have been established. Think about the MAFDAL, about its first link with the Alinement, about the influence we exerted on Agudat Yisra'el to join thegovernment and get things going. Think of our link with the prime minister--a link of love, of love for Eretz Yisra'el, faith in this great cause and everything else. I would not say I was a party to all the details of the plan in the initial stages. I would say, though, that I was a party to it in the decisive stages.

[Ram--interrupting] You were a party to the formulation of the plan, or to receiving information?

[Answer] Look, I am not interested in receiving information. I am not the curious type. As a cabinet member, I must take part in planning things right from the start. I would say, though, that some of the things, when they reached me, had already been worked out in certain respects.

I would like to add something: The cabinet meeting held after Begin's return from the United States and before his departure to Egypt indeed lasted about 8 hours. People may say that 8 hours is sufficient time for working out things. However, for a man like me who is torn between the two causes, things should be worked out and considered at length.

Prime Minister Begin had actually thought of things for a long time before he reached the decision that the people of Israel need peace and therefore would pay a certain price. I also needed this; I also needed longer time to think things out. I did not have enough time for this despite my great faith in the prime minister and other cabinet members. Yet, from a certain moment onward, I participated in the formulation of the plan, and also expressed by position, namely, what the plan would do to me and to the cause of peace. I insist now as I have insisted earlier that things from now on should take shape in detail as much as possible, and with my participation.

[Ben-Ishay] If peace is attained at the negotiations, do you think that, in addition to the opportunities and advantages it would create, it would also pose dangers and risks?

[Answer] Look at the 3 million people compared with the 100 million people surrounding them. They could surely destroy us by assimilation if we did not possess internal strength stemming from our uniqueness as the people of Israel. Before I talk to others about peace, the people of Israel must be strengthened internally and become a people that can survive the peace which we are proposing to them.

This is a danger similar to that which is facing the Jews in the Diaspora. We here indeed have as our goal settling the country, Zionism and so on. However, as the case is with the Jews in the Diaspora, extensive contacts contain great risks. We should accept the challenge nevertheless. Such peace is better than war.

OPINION POLL FINDS MOST ISRAELIS SUPPORT CABINET

TA061247Y Jerusalem Domestic Service in English 1200 GMT 6 Jan 78 TA

[Text] In a public opinion poll that was conducted 2 weeks ago, 80 percent of those questioned said they support the government's stand and actions.

The poll was conducted by the communications institute of Hebrew University.

The results also showed that if elections were held today the Likud would win a clear majority.

As for the subject of the territories, half of those questioned believe that Judaea, Samaria and the Gaza Strip should be returned, while half of the population is opposed.

ENERGY MINISTRY PLANNING FOR FUTURE OF AT-TUR OIL

TA051605Y Jerusalem Domestic Service in Hebrew 1100 GMT 5 Jan 78 TA

[Text] The Energy and Infrastructure Ministry is preparing a plan regarding the future of the sources of oil in the At-Tur region on the Gulf of Suez. Energy and Infrastructure Minister Yizhaq Moda'i told our correspondent Yosi Melman that the plan includes several alternatives. One of the alternatives is based on Israel's continued link to the oilfield within the framework of a comprehensive peace. The minister, however, refused to give details of the other alternatives. He said that it is neither moral nor acceptable to report about proposals that will be raised within the framework of the negotiations with Egypt. The Energy and Infrastructure Ministry is preparing a memorandum to be handed to the Israeli-Egyptian military committee.

Minister Moda'i also added that the appeals submitted by the U.S. Neptune oil company to the prime minister coincide with Israeli interests. There is no disagreement on this matter. The Neptune company representatives asked the prime minister to guarantee that their company be involved in any agreement that will be reached, since it was this company that discovered the oilwells in the At-Tur region and invested large sums of money in them. The representatives of the company told the energy and infrastructure minister yesterday that they expect the U.S. Embassy in Israel to give them directions on how to act under the new circumstances.

New Find Reported

TA061109Y Tel Aviv MA'ARIV in Hebrew 6 Jan 78 p 1 TA

[By Shraga Meqel]

[Text] It was made known last night that signs of oil have been discovered in the "Alma 3" drilling area in the At-Tur region of the Gulf of Suez. Minister of Energy and Infrastructure Yizhaq Moda'i told MA'ARIV that the discovery of the signs of oil was very important with regard to the capacity of the field at the At-Tur region, and the signs prove that the field is continuous and not isolated.

A few weeks ago oil was discovered in commercial quantities in the "Alma 2" well--according to the evaluation it can produce 15,000-20,000 barrels of oil per day.

Drilling at "Alma 3" has already reached a depth of more than 1,600 meters, and yesterday signs of oil were discovered.

DAYAN CALLS ARAB DELEGATION TO EGYPT 'PREMATURE'

TA041806Y Jerusalem Domestic Service in Hebrew 1700 GMT 4 Jan 78 TA

[Text] Minister Dayan has expressed the view that the idea of sending a delegation representing the Arabs of Israel to Egypt is premature. The foreign minister writes along these lines in a letter to lawyer (Jamil Shalhub), who is the initiator of the Arab-Jewish delegation which wants to leave for Cairo to meet with President as-Sadat.

ISRAELI MISSIONS IN UNITED STATES MAY BE REDUCED

TA051528Y Jerusalem Domestic Service in English 1200 GMT 5 Jan 78 TA

[Text] Cuts are being considered in the size of Israeli missions in the United States. One intention is to halve the UN delegation when the General Assembly is not in session, and some consulates would either be closed down or reduced in size. Taking part in the considerations about cuts is the director general of the Foreign Ministry.

NATIONAL RESURGENCE PARTY CONGRESS ISSUES RESOLUTION

LD051833Y Teheran Domestic Service in Persian 2000 GMT 4 Jan 78 LD

[Report on the resolution issued on 4 January by the extraordinary congress of the Iranian People's Resurgence Party]

[Text] The resolution says: The convening of the extraordinary congress of the Iranian People's Resurgence [Rastakhiz] Party has afforded another opportunity for the Iranian people to once again declare their total conviction and firm faith in the principles of the imperial order, the constitution and the shah-people revolution; to renew and strengthen their longstanding covenant with the illustrious commander, the great leader of the land of the Iranians; and to pledge their blood and honor as a bond of their fealty to this holy pact.

The Iranian nation has spent many milleniums of its history and stability with the imperial order, which has during the past two centuries experienced one of the most difficult phases of its political life in its encounter with colonialist policies and, in light of its historic achievements, deems the imperial order as the guarantor of its continued existence. And in the era of resurgence it is now on the threshold of an age of grandeur. For this reason the Iranian nation cherishes and guards its vital strongholds, which constitute the fruit of the two great constitutional and shah-people revolutions.

The Iranian nation holds dear its constitution, which was obtained through the blood of its martyrs and those who struggled for the establishment of constitutional government, and deems it essential to observe its standards toward the evolution of Iranian democracy. It recognizes the establishment of the Iranian People's Resurgence Party, which is the manifestation of the possibility of participation by everyone in the nation's political destiny, as the most genuine and appropriate means for strengthening the edifice of democracy.

The Iranian nation holds dear the shah-people revolution and recognizes its firm intellectual foundations, which are the source of the 19 principles of this revolution, as among the ideological principles of the Iranian People's Resurgence Party, which is the manifestation of our national cohesion against avaricious colonialist designs.

Another part of the resolution of the extraordinary Congress of the Iranian People's Resurgence Party says: The Iranian nation, inspired by the resurgence ideology, is defending firm ideological principles with regard to the present-day colonialists, principles that are simultaneously congruent with the values of national culture, religious beliefs and Islamic teachings and that are suitable to respond to and handle present-day world problems and those of the coming centuries.

The Iranian nation deems as one of the most sensitive historic necessities the declaration of an independent national policy, which is the weighty foundation of Iran's foreign policy, particularly in an era when the colonialists' machinations and deceptions against the independent nations struggling to expunge the vestiges of colonialist policies are in evidence.

In this respect the congress declares that the Iranian nation is faithful to--and desires to continue this policy--the standards of an independent national policy, which confirms support for the rights of all the independent nations and those seeking indepdence, condemns colonialism in all its shapes and forms and approves and supports the coexistence of nations regardless of their political and social systems and conditional on their non-interference in one another's internal affairs.

The Iranian nation believes that in safeguarding world peace, particularly the peace of the region, it is entrusted with an active role and a sensitive responsibility in accordance with its independent national policy, since the guaranteeing of the peace of the region will guarantee our national sovereignty in the present and the future.

The Iranian People's Resurgence Party extraordinary congress resolution also says: In order to establish peace the Iranian nation condemns every attempt by the colonialists to exert influence on the Persian Gulf and Indian Ocean and believes that the security and the peace of the Persian Gulf and the Indian Ocean should only be secured with the united effort of the nations and peoples living on the shores of the Persian Gulf and Indian Ocean. Divorced of all interference by foreigners, the mention of these political and historic positions was referred to in this great and gradiose congress because the Iranian nation maintains and deems it essential that the world peoples should be aware that the extensive propaganda launched by the colonialists against the existence of the Iranian nation is precisely because the Iranian nation bases the firm principles of its foreign policy on the foundation of its national rightfulness and will defend these principles of its last breath.

The resolution also says: The Iranian nation knows that the colonialists have mobilized their forces against the nations of the Third World, have covertly begun extensive cooperation and have striven toward setting up new colonialist bases. With their internal propaganda machines and by utilizing all their fighting tactics they are doing their utmost to penetrate the independent and free nations. The colonialists' propaganda machine and the joint gangs of red and black colonialists are disseminating propaganda and taking steps against our unity and integrity. They are speaking up against our imperial order, which is the manifestation of our national cohesion and sentinel of our Iranian spirit and culture,and are striving toward the nefarious path--I beg your pardon--toward the path of sowing dissension in Iranian society. With their plots against universities and educational centers, they are trying to deprive us of national technology and the proliferation of science and research. The propaganda of the colonialists and their odious stooges against the Iranian People's Resurgence Party, which is the safehaven for the political organization of all Iranian men and women is an overt strategem against Iranian democracy. It is within the steel ranks of this party that the Iranian nation is making stable the edifice of its political participation with the efforts of all.

It is by taking into consideration these facts that the participants in the great national forum, with the aim of defending the sensitive positions of resurgence, which is the guarantor of the Iranian nation's victories, and with the aim of confronting the plots and strategems of the colonialists of all shapes and hues, are now emphasizing the following points:

The Iranian Peoples Resurgence Party's congress, taking into consideration the sensitivity of the time, deems it essential to strive increasingly toward organizing within party centers and, towards this end, apart from expanding the centers, affirms the neccessity to embark on political education and on raising the level of vigilance in party centers.

The Iranian People's Resurgence Party's congress approves the firm resolve of young people, particularly students. Welcoming their increasing organization within the party ranks it calls on the party leadership to bring about the prerequisites for the active participation of young people, particularly students, in party centers. Also in carrying our principle No 15 of the shah-people revolution, the party affirms the fundamental point that since free education with its incidental privileges is being secured from the Iranian people's treasury, it is appropriate that this principle of the revolution should be implemented with regard to students who are utilizing this achievement of the revolution while believing in the holy nature of education, but not with regard to those who make use of the name and apparel of students in order to prevent patriotic students faithful to the revolution from continuing their education.

The Iranian People's Resurgence Party, while condemning colonialism whenever and wherever it may be, no matter what political, social and economic system it may be in liaison with, emphasizes the need for recognizing the colonialists' fighting tactics. It decisevely believes that the Iranian nation should be in a state of preparedness so as to recognize colonialist methods and ways in whatever shape and to be able to rise up in decisive and relentless struggle against them. Obliteration and destruction of colonialism in all its shapes and hues! Victory to the struggles of the Iranian nation toward peace in the region and the establishment of justice in the system of international relations! May the imperial order, the haven of unity, independence and the culture of the land of the Iranians, be steadfast! Long life the Shahanshah Aryamehr of the land of our victory-giving revolution! Long live Iran!

BANGLADESH

ZIA, CALLAGHAN SPEAK AT 4 JAN DACCA BANQUET

BK051144Y Dacca Domestic Service in English 0145 GMT 5 Jan 78 BK

[Text] President Ziaur Rahman has said Bangladesh is committed to a policy of maintaining complete peace and stability in the South Asian subcontinent. He was speaking at a dinner given by him in honor of the British prime minister, Mr James Callaghan, at Banga Bhavan in Dacca last night.

The president said Bangladesh is convinced that without stable peace in the region it would not be possible to apply the [words indistinct] and energy needed to achieve speedy economic and social development of the people. He (?reiterated that) Bangladesh has been consistently pursuing a policy of maintaining friendly relations with its neighbors and promoting understanding and cooperation with them. He said: Our adherence to the principles of mutual respect, the sovereign equality, noninterference in each other's internal affairs and the recognition of the need for mutual cooperation have contributed to our success in this direction.

The president said to promote relations with the neighboring countries he visited Nepal, India and Pakistan last month. His talks to the leaders of these countries reflected a broad similarity of views on many issues of the mutual concern. Bangladesh, he said, is looking forward to a period of stable peace and expanding cooperation between the countries of the region.

The president said as a contribution toward international efforts in promotion of peace, Bangladesh supports the UN resolution on the declaration of the Indian Ocean as a zone of peace. He said Bangladesh welcomes consultations among the littoral and hinterland states of the Indian Ocean area and their participation in the arrangement for the effective implementation of the UN resolution.

President Zia made a strong plea for restructuring the present international economic order to make it just and equitable for improving the quality of life of the people all over the world. He said the existing international economic order has proved to be the most serious impediment to an effective and speedy solution of the problems of underdevelopment.

The president said the issues of political independence and social emancipation have logically brought into sharp focus the question of economic progress without which independence loses much of its significance. He hoped that the leaders of all nations will take the necessary measure to create an international awareness in this regard and move the world toward the desired change in attitude and policy pertaining to a new and just economic order.

The president said the massive problems that confront the least developed countries like Bangladesh cannot be resolved without uninterrupted peace and international cooperation. He said we are concentrating on all-round development of agriculture and the rural sector to improve the quality of life of the people, the bulk of whom live in the villages, and the program of attaining self-reliance has already achieved satisfactory result.

Referring to British aid to Bangladesh, President Zia said Britain has made a significant contribution to our development efforts through assistance both in terms of project and commodity aid. He paid warm tributes to the British prime minister for his courage and statesmanship in regard to the British relations to the countries of the Third World. He expressed his confidence that the visit will further strengthen the bonds of friendship between the two countries.

The president also referred to the international situation and expressed his concern to see that a vast segment of humanity continues to be denied its inalienable rights. In Zimbabwe, Namibia and South Africa the majority of people are subjected to a ruthless policy of racism and apartheid. He reiterated Bangladesh's wholehearted support to the people of these countries in their just struggle for the realization of their legitimate rights.

Turning to the Middle East, the president said a stable and lasting peace in the area cannot be achieved without the implementation of the UN resolutions on the issue. He said a comprehensive settlement in the Middle East has to be evolved on complete Israeli withdrawal from the occupied Arab territories and the restoration of the rights of the Palestinians to their homeland.

In reply, the British prime minister, Mr Callaghan, said his current visit symbolizes the hope for further development of relations between the two countries to the benefit of their people. He said Britain attaches particular importance to her relations with Bangladesh, with which she has a strong historical and personal association.

Mr Callaghan said the solution of various problems of Bangladesh--like pressure of population growth, the need to increase food production and the creation of job opportunities--depend primarily on the dedication and efforts of its people. He said he has been much impressed to see the enterprise, dedication and skill of the people of Bangladesh in developing their economy.

Mr Callaghan said the able leadership of President Zia and achievements of his government have inspired confidence that the government and the people of Bangladesh will be able to overcome their problems.

The British prime minister said his country is fully aware of the remarkable improvement made so far in Bangladesh. Making special reference to the country's success in reducing inflation, he said he was impressed by the sense of national pride and of national purpose of its people.

Mr Callaghan said Britain has already implicitly demonstrated its commitment to support Bangladesh's economic development. Since independence, Britain had committed to Bangladesh 19 crore pounds sterling worth of aid. He said Britain is now considering how it can help equip the Bangladesh railways with wagons and other equipment costing nearly 3 crore pound sterlings.

Callaghan News Conference

BK0609457 Dacca Domestic Service in English 1705 GMT 5 Jan 78 BK

[Text] The British prime minister, Mr Callaghan, has said his country is willing to help finance a study on harnessing the Ganges water resources. Addressing a crowded news conference at Banga Bhavan in Dacca this evening, he said the development of water resources is of tremendous importance for the economy of Bangladesh. For one thing, he said, it can help the country raise three crops a year.

Highlighting the need for maintaining adquate flow in the Ganges water, he said 5,000 miles of navigational water in the rainy season is reduced to 2,000 miles in the dry season; therefore, its flow has got to be controlled internationally or multinationally.

He, however, expressed his satisfaction that a 5-year agreement on sharing of the Ganges water has been reached between Bangladesh and India. This, he said, speaks of the statesmanship of both President Zia and the Indian prime minister, Mr Desai. Mr Callaghan said long-term agreements will also be possible on proper exploitation of their water resources. He said that during his coming visit to India he will discuss with the Indian prime minister how best this problem can be solved to the mutual benefit of the two countries.

The British prime minister also promised assistance in the exploitation of natural gas in Bangladesh. He said Britain is ready to share its experience and technological knowhow. He said he had also held discussions with President Zia on prospects for British cooperation in developing natural gas, which has vast export potential.

Earlier, speaking at a civic reception held in his honor at Ramna Park, Mr James Callaghan said his government is firmly committed to uphold the safety and interests of Bangladesh nationals living in Britain. He said every citizen in Britain is equal under the law and no discrimination is allowed on the grounds of color, creed or religion. All are entitled to free protection of law, and all supporters of his party in Parliament will always try to implement this policy. Mr Callaghan also spoke of the long-standing friendship between the peoples of Bangladesh and the United Kingdom.

In his address of welcome, the chairman of the Dacca paurasabha [municipal corporation]; Mr (Abul Hasmat), said that continued British economic assistance and cooperation will strengthen our resolve to attain a self-reliant economy. He said we are confident that this historic visit will open the door for more people-to-people contacts between the two countries. It will further consolidate the already existing friendly relations between the two countries.

Callaghan Hosts Dinner

BK060931Y Dacca Domestic Service in English 1705 GMT 5 Jan 78 BK

[Text] The British prime minister and Mrs Audrey Callaghan hosted a dinner in honor of President and Begum Ziaur Rahman in Dacca tonight.

PETROLEUM ADVISER SEES GOOD PROSPECTS FOR USSR TRADE

BK280206Y Dacca Domestic Service in English 1705 GMT 27 Dec 77 BK

[Text] The presidential adviser for petroleum and mineral resources, Mr Asfaque Hossain Khan, has said there are bright prospects of expanding trade and technical cooperation between Bangladesh and the Soviet Union. He was talking to newsmen on his return home from a visit to the Soviet Union and the United Kingdom.

Referring to his talks with the Soviet leaders and officials, the adviser said they evinced particular interest in increasing the volume of trade with Bangladesh. Mr Khan said he was assured of early dispatch of Soviet drilling equipment for Bangladesh under the Soviet commodity assistance program.

During his stay in the Soviet Union he had talks with the vice president of the Supreme Soviet, (?Sarkisov), the deputy foreign minister and the deputy chairman of the state Economic Council.

In London the adviser had talks with high officials of the British Gas Development Corporation regarding the transmission of natural gas (?to) Chittagong from any of the nearby gas fields. An expert team from the corporation is expected in Bangladesh soon for a detailed study of the project, he added.

## INDIA

### PAPER REPORTS DIPLOMAT EXPELLED FROM BANGLADESH

BK051648Y Calcutta ANANDA BAZAR PATRIKA in Bengali 2 Jan 78 p 5 BK

[By special correspondent]

[Text] Just 10 days before Bangladesh President Ziaur Rahman's visit to India the Bangladesh Government "expelled" Shamal Mallick, counsellor-minister of the Indian High Commission in Dacca. No reason was given for his expulsion.

In an urgent letter to [Indian] High Commissioner K. P. A. Menon, the Bangladesh Foreign Office asked Shamal Mallick to leave Bangladesh within 48 hours. Inquiring as to the reason, the Indian High Commission sent a letter to the Bangladesh Government, but it did not reply. Mallick arrived in Calcutta on 12 December. At present he is in Delhi but his household effects are still in Dacca.

It should be mentioned here that since Mujib's assassination in 1975, Bangladesh has expelled a total of three officers, including this one, declaring them as "persona non grata." The Bangladesh Foreign Office only wrote in the letter that the activities of the said officer were contrary to the interests of their country and, therefore, if he did not leave Bangladesh within 48 hours, the government would be forced to declare him "persona non grata."

The first person who was expelled from Bangladesh after Mujib's assassination was press counsellor Ashoke Gupta. Then, after the November disturbances, military adviser Brigadier Vora was expelled.

### VAJPAYEE, SRV ENVOY DISCUSS CAMBODIA BORDER DISPUTE

BK031601Y Hong Kong AFP in English 1505 GMT 3 Jan 78 BK

[Text] New Delhi, Jan. 3 (AFP)--Vietnamese Ambassador to India Nguyen Van Sinh called on Indian Foreign Minister Atal Bihari Vajpayee here this afternoon to explain developments in the Vietnam-Cambodia border conflict, a government spokesman disclosed.

Mr. Vajpayee informed the envoy that India had always been in favour of solving border disputes in a peaceful manner and expressed the hope that the differences between the two countries would be resolved peacefully.

The spokesman said Mr. Vajpayee also felt that the conflict was unfortunate especially as both countries were members of the non-aligned movement.

### USSR COAL EXPERTS TO ARRIVE IN DELHI IN JANUARY

BK311607Y Delhi ISI in English 1436 GMT 31 Dec 77 BK

[Text] Under the recently signed Indo-USSR protocol on coal a team of Soviet experts will arrive in New Delhi next month to impart the knowhow on the advanced method of mining by caving in roof of the used-up mines instead of filling the tunnels with sand, reports SAMACHAR.

This is expected to increase the efficiency of production, reduce costs and provide a means to utilise more than 100 million tonnes of coal struck up in used mines. The Soviet experts would remain in India for about 6 months.

Increased coal production research and development in coal utilisation and by-product development are some of the major lines of cooperation envisaged in the new protocol signed on December 23 in pursuance of the joint declaration at Moscow between Prime Minister Morarji Desai and Soviet President Leonid Brezhnev. The protocol also envisaged the need to expedite work on all existing contracts. New areas of cooperation between the two countries have been identified during the discussions and the Indian side had asked for Soviet assistance in solving the problems of mining in the very thick-inclined coal seams complicated by tectonic disturbances.

A number of Indian mining engineers would be deputed to the Soviet Union to study problems relating to thick seam mining. The Indian specialists would also visit the USSR to study opencast coal mining at greater depths. Soviet experts would also be invited to the mining department of the Banaras Hindu University to give lectures on the advanced methods of opencast mining and also geomechanics.

The main areas of cooperation identified in this field are the development of the processes of production of liquid fuel and chemical products from coal by hydrogenation-formed coke for industrial purposes fluidized bed gasification of coal and the utilisation of mineral components in tailings of washeries. Three major areas of cooperation of increase coal production are the development of the Singrauli coalfields, Raniganj underground mines and the setting up of major repair and production workshop at Singrauli.

As regards the Jayant opencast mine which is being developed to produce 10 million tonnes a year, [it] will be reviewed jointly by Indian and Soviet specialists particularly the optimal use of coal transport. The Soviet side will depute one experienced dragline operator for a period of 3 to 6 months to train Indian operators at Jayant. Both countries are to expedite research work in regard to the development of the deep coal seams of Chinakuri in Raniganj and a report is expected in the next few months.

UK-INDIA AID AGREEMENTS SIGNED IN DELHI 4 JAN

BK050928Y Delhi ISI in English 0839 GMT 5 Jan 78 BK

[Text] Five agreements to the value of pounds 144 million (rupees 2,280 million) were signed in New Delhi on 4 January by W. L. Allinson, the acting British high commissioner, and Manmohan Singh, secretary, Department of Economic Affairs, Ministry of Finance. This is the largest amount Britain has ever signed over at a single ceremony of this kind in India. The agreements comprise rupees 1,108 million (pounds 70 million) for maintenance aid, rupees 475 million (pounds 30 million) for major projects, rupees 317 million (pounds 20 million) each for the import of capital investment goods and for the coal and power sectors and rupees 63 million (pounds 4 million) for debt refinancing. The entire assistance under these agreements is in the form of grants. The maintenance goods including raw materials, spares, equipment and commodities. The debt refinancing grant provides the Government of India with untied free foreign exchange for servicing loan repayments. The remaining three capital grants are intended for the purchase of a wide variety of machinery and equipment for existing and new productive capacity.

PAKISTAN

OFFICIAL CIRCLES WELCOME CARTER MESSAGE TO HAQ

BK050842Y Karachi Overseas in English 0030 GMT 5 Jan 78 BK

[Text] Official circles in Islamabad have viewed with satisfaction President Carter's assurance that support to Pakistan's territorial integrity, development and independence remain the enduring principle of the American foreign policy.

The American President gave this assurance in a message to the chief martial law administrator, Gen Mohammad Ziaul Haq, while leaving South Asia on the conclusion of his visit to India.

President Carter in his message also emphasized that the sovereignty, equality, security and integrity of every nation was essential for world peace and stability.

PNA ADOPTS NEW CONSTITUTION, ELECTS OFFICERS

BK301606Y Karachi Domestic Service in Urdu 1500 GMT 30 Dec 77 BK

[Text] The Pakistan National Alliance [PNA] has approved the new constitution under which it will operate as a single political party both inside and outside the parliament. The Central Council will be the highest body of the PNA and will control its policies and programs.

The PNA secretary general, Prof Ghafoor Ahmed, gave details of the new PNA constitution at a press conference in Lahore today. The constitution is divided into 7 chapters and contains 24 (?objectives).

He said that the PNA Central Council at its session in Lahore also adopted a resolution, which among other things calls for effective measures to prevent price rises and corruption. He said the council feels that only an elected government can solve the current problems, and with this in mind, the council has asked the government to speed up the process of accountability for the early holding of elections. The council is also of the view that political activities should be permitted and efforts should be made to introduce Islamic laws.

He also announced the election of new PNA officers. Maulana Mufti Mahmud, Prof Ghafoor Ahmed and Nawabzada Nasrullah Khan have been reelected respectively as president, secretary general and vice president. Other officials are: Amir Habibullah (?Sabi), joint secretary general; Mr Safdar Hassan Siddiqui, secretary of information; Chaudhry Zahur Elahi, chairman of the finance committee; and the Pir of Pagaro, chairman of the parliamentary board.

WALI KHAN JOINS NATIONAL DEMOCRATIC PARTY

BK040810Y Karachi Overseas Service in English 0030 GMT 4 Jan 78 BK

[Text] Mr Wali Khan has formally announced that he is joining the National Democratic Party [NDP]. Speaking at a meeting of the central organizing committee of the NDP, which met in Karachi yesterday, Mr Wali Khan said that accountability is a must for fair elections to be conducted in the country.

The committee welcomed the decision of the chief martial law administrator's announcements on the 1st of the month particularly [amnesty] to the accused in the Hyderabad case and the withdrawal of their cases and the abolition of the special court.

## SUBSCRIPTION INFORMATION

DAILY REPORT volumes are published Monday through Friday in both paper version (mailed daily) and microfiche version (mailed weekly). Annual subscription including occasional supplements is, for the first volume, $125 paper/$100 fiche; each additional area volume up to seven, $70 paper/$60 fiche; all eight volumes $575 paper/$500 fiche. Foreign subscription for the first volume $160 paper/$125 fiche; each additional area volume up to seven, $70 paper/$60 fiche; all eight volumes for $610 paper/$525 fiche. Each additional paper or fiche subscription beyond eight is $50. The volumes are: I--People's Republic of China; II—Eastern Europe; III—Soviet Union; IV—Asia & Pacific; V—Middle East & North Africa; VI—Latin America; VII—Western Europe; VIII—Sub-Saharan Africa. Back issues or single copies are not available. Allow 30 days for processing new subscriptions. Mail remittances, inquiries, and address changes to the NTIS address below.

Note: The publications of the Joint Publications Research Service (JPRS), which are sometimes cited in the DAILY REPORT, can also be ordered from NTIS in single copies or by subscription. In ordering, please cite the JPRS title, number, date, and author if applicable.

Both the DAILY REPORT and the JPRS publications are on file for public reference at the Library of Congress and at public and university libraries throughout the United States.


N T I S

National Technical Information Service
U. S. DEPARTMENT OF COMMERCE
Springfield, Virginia 22151